

Frequently Asked Questions (FAQ)

City of Union City Rent Review Ordinance (the “Ordinance”)

Ordinance Effective: October 2, 2017
FAQ updated November 15, 2017

This handout answers frequently asked questions to help landlords and tenants understand and comply with the law in Union City regarding rent increases. **This is a general guide and resource, and does not constitute legal advice, nor does it address every issue.** It may be updated from time to time, as deemed appropriate by the City. The full text of the Ordinance can be found at Chapter 5.55 of the Union City Municipal Code, which is available on the City’s website or in the Office of the City Clerk at City Hall. Please consult an attorney for specific questions regarding the Ordinance.

Additional information is available at: www.unioncity.org/rent-requirements

1. What do landlords need to tell tenants about the Ordinance?

Answer: Landlords must provide all tenants with a Notice of Availability of Rent Review in the three predominant languages spoken in the City, in accordance with Union City Municipal Code section 5.55.030 (A). The City has prepared a Notice of Availability of Rent Review form that landlords may use to satisfy this requirement, which is available online at: www.unioncity.org/rent-requirements

2. When must landlords provide tenants with a Notice of Availability of Rent Review?

Answer: Landlords must provide a tenant with a Notice of Availability of Rent Review at the time the landlord provides notice of **any** rent increase. If a landlord fails to properly notice a tenant pursuant to the Union City Municipal Code Chapter 5.55, the landlord must re-notice the tenant in accordance with section 5.55.030 (A) prior to demanding or accepting any increase in rent. A Notice of Availability of Rent Review is in addition to any other notices required by California law.

3. How do landlords provide tenants with a Notice of Availability of Rent Review?

Answer: The Notice of Availability of Rent Review must be personally delivered to the tenant or mailed to the tenant at the address of the tenant’s residential property. Service by mail shall be presumed complete within five (5) calendar days of a mailing.

4. Does the Ordinance prevent a landlord from raising a tenant’s rental amount?

Answer: No

5. Are landlords required to file copies of the rent increase notices with the City?

Answer: No

6. How does a landlord register a rental unit with the City?

Answer: Section 5.55.050 of the Union City Municipal Code requires a landlord to register each rental unit with the City. At this time, the City does not have a separate rental unit registration system in place, and the City considers a valid business license covering the rental unit to satisfy the registration requirement. A separate rental unit registration may be required in the future.

7. Is there a fee being charged to administer this Ordinance?

Answer: **Effective November 1, 2017**, all property owners with rental units in Union City that are subject to the Eviction Protection Ordinance and/or the Rent Review Ordinance must pay the annual fees listed below. The fees are due at the time a property owner applies for a new residential rental business license or renews an existing business license. These fees are in addition to the existing requirement for all landlords to obtain and maintain a valid Union City Business License for every rental unit they operate in Union City.

- Rent Review Ordinance Fee - \$21.50 per rental unit
- Eviction Protection Ordinance Fee - \$10 per rental unit

For questions regarding the business license application/renewal process, please contact the City's Revenue Division.

City of Union City – Revenue Division

Phone: (510) 675-5312

Fax: (510) 489-5074

Email: Biz-License@UnionCity.Org

Website: www.unioncity.org/departments/administrative-services/business-licenses

8. Does the Ordinance apply to single-family homes or condominiums?

Answer: The Ordinance applies to all rental units in the City, unless the rental unit qualifies for an exception as provided in Union City Municipal Code section 5.55.020 (K).

9. How does Rent Review work?

Answer: Rent Review is a two phase process consisting of 1) conciliation and 2) mediation (if required). The goal of rent review is to help tenants and landlords settle rent disputes. The conciliation phase is conducted by ECHO Housing, the City's Program Administrator, and will typically be conducted by phone and/or email. The mediation is conducted by a professional mediator (i.e. Rent Review Officer) and consists of an in-person meeting with the tenant, landlord, and mediator. For more information about the rent review process, please visit: <https://www.unioncity.org/DocumentCenter/View/1424>

10. How does a tenant request rent review?

Answer: A tenant must complete the Rent Review Request Form and submit it to ECHO Housing, the City's Program Administrator, within fifteen (15) calendar days of the tenant receiving the rent increase notice. The tenant must also include a copy of the landlord's notice of rent increase with the Rent Review Request form. The Rent Review Request Form is available online: www.unioncity.org/rent-requirements

11. When can a tenant request rent review?

Answer: A tenant may seek rent review when:

- A tenant has received a rent increase that is more than 7% of the base rent; **OR**
- A tenant receives two or more rent increases in a 12 month period **and** the total of all rent increases exceeds 7% of the base rent paid prior to the first increase of the 12 month period.

Please refer to Union City Municipal Code sections 5.55.040 (A) for more information.

12. What is considered the base rent?

Answer: The base rent means the rent paid to the landlord, for occupancy and use of the residential property, in the month immediately preceding the effective date of the rent increase. Base rent excludes pass through and ancillary costs that are **paid separately** to the landlord such as parking, storage, utilities, water, garbage, or any other similar fee or charge associated with the residential property.

13. If a tenant has requested rent review, what is the landlord required to do?

Answer: Within three (3) business days of receiving a rent review request, the City's Program Administrator, ECHO Housing, will attempt to contact the landlord. The landlord must acknowledge the rent review request **within ten (10) business days**. Failure of the landlord to respond to the rent review request, absent a finding of good cause, **shall void the rent increase**. The City has prepared a Landlord Response Form which is available online at: www.unioncity.org/rent-requirements

14. Is participation in conciliation mandatory?

Answer: Yes. The landlord and tenant shall participate in conciliation which includes providing relevant information, exchanging proposals, reasonably considering proposals by the opposite party, and engaging in discussions regarding the rent increase and issues related to the rent increase. Failure of a landlord to participate in conciliation **shall void the rent increase**. Failure of the tenant to participate shall bar the tenant from seeking mediation. Please refer to Union City Municipal Code sections 5.55.040 (D) for more information.

15. When can a tenant request mediation?

Answer: If the tenant and landlord do not resolve the rent dispute during conciliation and conciliation has concluded, the tenant make request mediation within **five (5) business days** of the conclusion of conciliation. ECHO Housing will notify the landlord and tenant when the conciliation process has concluded.

16. Is participation in mediation mandatory?

Answer: Yes. If the landlord fails to attend mediation, without good cause, the **rent increase shall be void** and the landlord may not take any action to enforce the invalid rent increase. If the tenant fails to attend mediation, without good cause, or if both the tenant and landlord fail to attend mediation, without good cause, then the case is dismissed. Good cause for failure to participate shall include, but not be limited to, illness, death, vehicle malfunction, and other similar circumstances. If either party fails to appear for good cause, the mediation will be rescheduled as soon as possible.

Please refer to Union City Municipal Code sections 5.55.040 (E) for more information.

17. What happens if the tenant and landlord reach an agreement during conciliation or mediation?

Answer: If the tenant and landlord agree to a resolution, they may formalize the resolution in a standard agreement that will be signed by both parties. The City will provide the tenant and landlord with a standard agreement form. However the City, the Rent Review Officer, or the City's Program Administrator are not party to the agreement and are not responsible for enforcement of the agreement's terms.

18. What happens if the tenant and landlord do not reach an agreement during conciliation or mediation?

Answer: If the tenant and landlord do not reach a voluntary agreement during the conciliation or mediation processes, the rent increase noticed by the landlord shall remain valid, as long as the landlord has satisfied all requirements of the Ordinance and applicable State laws.

19. Can I have a representative participate in conciliation/mediation on my behalf?

Answer: Yes. However, the representative must have full authority to answer for the landlord or tenant and must have the authority to enter into a binding agreement on the landlord or tenant's behalf. Failure of the representative to have this authority is considered non-participation.

20. Does rent review impact the effective date of a rent increase?

Answer: No. A request for rent review shall not delay the effective date of a rent increase. If appropriate, the tenant and landlord may enter into a private agreement to delay the effective date of a rent increase or reach any other agreement to effectively reimburse rent increases paid by the tenant.