

**Ballot Simplification Committee - DRAFT for Consideration on Wednesday, March 3, 2010**  
**Renters' Economic Relief** *(working title only, subject to change)*

**The Way It Is Now:**

The City's Residential Rent Ordinance (Ordinance) applies to most rental housing built before June 1979. The Ordinance limits when and how a landlord may increase a tenant's rent. For example, once a year, landlords may increase rent by a percentage set by the Residential Rent Stabilization and Arbitration Board (Rent Board).

In some circumstances, landlords may increase rents to pay for improvements to the property or to pass along part of the property tax bill. But a tenant may file a hardship application with the Rent Board to seek to limit some of those increases.

**The Proposal:**

Proposition \_\_\_\_ would amend the Ordinance to add a new basis for hardship applications. In response to most rent increases, a tenant may submit a financial hardship application if one of the following conditions applies:

- the tenant has become unemployed;
- the tenant's wages have been reduced by 20% or more compared to the previous twelve months; or
- the tenant's income consists of government benefits, such as social security or disability, and the tenant has not received a cost of living increase in the previous twelve months.

When the tenant submits a financial hardship application to the Rent Board, the rent increase will not take effect for sixty days, or until an Administrative Law Judge (ALJ) holds a hearing on the application, whichever is later.

The ALJ would review the application to:

- decide whether the tenant satisfies one of the conditions above;
- consider the tenant's assets; and
- determine whether the rent, with the increase, totals more than 33% of the tenant's income.

If the ALJ finds that the tenant has a financial hardship, the landlord may not increase the tenant's rent for a specified period based on the tenant's circumstances. The rent increase may take effect later if the tenant's financial circumstances change. Either the tenant or the landlord may appeal the ALJ's decision to the Rent Board.

**A "YES" Vote Means:** If you vote "yes," you want to amend the Ordinance to allow tenants to apply to the Rent Board to postpone rent increases when tenants experience a decrease in income, or do not receive a cost of living increase in their government benefits, and the proposed total rent would be more than 33% of their income.

**A "NO" Vote Means:** If you vote "no," you do not want to make these changes.

word count: 386 [suggested word limit: 300]