

Avoid Trouble and Save Money!
Follow These Laws and Ideas for 2012!
by Patricia A. Harris

Along with the ever-changing and newly adopted laws, AOA advisors encounter landlord situations that are overlooked, can be confusing, are sometimes neglected and have become very costly to many property owners.

It is our continuous goal to aid and support you in making this business of providing housing for others more profitable, easier and yes, more enjoyable. AOA wishes each and every one of you a happy, healthy and prosperous New Year and we look forward to being of service to you throughout the years to come!

Below is a compiled list of suggestions, new laws for 2012, regulations and standard requirements which landlords must follow to avoid trouble, stay out of court, and save money in unnecessary penalties.

1. *Pay your Rent Registration and service fees on time.*

SAN FRANCISCO- The Rent Board fee is billed to the landlord each year on the property tax statement, and the law permits the landlord to collect a portion of this fee from those tenants in occupancy as of ***November 1st of each year***. For the 2011-2012 tax year, the rental unit fee is \$29.00 per apartment unit and \$14.50 per residential hotel room. The landlord may collect 50% of the fee from tenants, which is \$14.50 per apartment unit and \$7.25 per residential hotel room. **For more information, call (415) 252-4602.**

OAKLAND - Rent Program Service Fee used to cover the costs of operating the City of Oakland's Rent Adjustment Program (formerly Residential Rent Arbitration) and implementation of the Just Cause for Eviction Ordinance ***are due January 1st of each year and delinquent after March 1st.***

If the \$30 fee is paid on time, property owners are entitled to collect half of the fee (\$15) from the tenant(s) of the rental unit for which the fee is paid. This amount is not rent and cannot be included when calculating a rent increase. For more information contact the **Oakland Rent Adjustment Program at 510-238-3704.**

BERKELEY- Registration information and bills are mailed to property owners and/or managers around May 26th. ***These registration fees are due on July 1st.*** Payments not received in the Rent Board Office or postmarked by the due will be assessed 100% penalty.

The annual registration fee is \$194 for each unit covered by the Rent Stabilization Ordinance. For units where the tenancy commenced prior to January 1, 1999, the Board has authorized a direct pass-through of a portion of the registration fees under certain conditions and with proper notice. The \$4.00 rent increase is temporary and can begin on July 2nd but must end by December 31st of the following year and does not become part of the permanent rent ceiling for purposes of calculating next year's Annual General Adjustment. A special 30-day notice must be used which can be found on the Rent

Board's website or by calling the **Berkeley Rent Stabilization Board 510-981-7368 (981-RENT)**.

2. Is your pool up to the new state code standards? (Virginia Graeme Baker Act) ***This law required completion on all pools before July 1, 2010 to avoid fines and possible pool closure.***
3. Read and understand Attorney Dale Alberstone's article in this issue regarding resident managers. Prepare and ***sign a Written Employment Agreement*** with all of your resident managers.
4. Make sure to offer all vacating tenants the ***AB2330 Walk Through Move-Out Inspection*** at least 15 days before tenant is due to move to avoid Small Claims court action and penalties on security deposit refunds.
5. Send your ***Security Deposit Refund Letter*** to vacated tenants ***within 21 days after move-out*** along with required receipts and proper interest payments. Failure to do so could cost you the entire security deposit plus substantial penalties.
6. ***If you are not yet in compliance with the EPA's Certified Renovator regulations, (RRP), put this on your immediate list of things to do.*** Follow all the rules of this one folks - financial penalties are now up to \$37,500 per occurrence. Be sure to also give all new tenants a copy of the ***EPA Lead-Based Paint pamphlet with all leases and the Renovate Right pamphlet before commencing any work*** involving the disturbance of lead-based paint.
7. Always run credit, eviction and criminal reports ***BEFORE*** renting.
8. When negotiating a lease – speak in English and use an English rental agreement. If you and your tenant discuss the lease in Spanish, Chinese, Tagalong, Vietnamese or Korean, you must give the tenant an unsigned version of the rental lease in that language before asking him to sign. This rule does not apply if you present your English version only and the tenant has supplied his own translator who is not a minor and can speak AND read the particular language and English fluently. Remember, if you use a Spanish rental agreement, all further notices served on the resident must also be in Spanish.
9. Send the required AOA "Tenant Rejection Notice" to all unaccepted applicants.
10. Prepare and plan ahead to replace plumbing fixtures with the required water-conserving fixtures ***before January 1, 2019***. ***SB 407*** [Padilla] will require all plumbing fixtures be replaced with water-conserving plumbing fixtures on or before January 1, 2019 for any residential, multifamily or commercial property. SB 407 also requires any building permit applicant to replace noncompliant plumbing fixtures with water-conserving ones as a condition to receive a certificate of final completion and occupancy or approval of a final building permit for any building alterations after January 1, 2014.
11. Carbon Monoxide detectors should have been installed in all existing single-family dwelling units ***by July 1, 2011***. ***All other dwelling units (such as apartments) must have proper carbon monoxide detectors no later than January 1, 2013. Install these detectors in all of your vacancies and be ahead of the game.***
Detector: According to the senate bill, the detector must sound an audible warning once carbon monoxide is detected. It also must be powered by a battery, or if it is plugged in, have a battery for a backup. The detector also must be certified by

national testing labs, such as the Underwriters Laboratories. The packaging on the carbon monoxide detector will state this. Carbon monoxide detectors typically can be purchased for about \$20 and up.

Installation: Install one detector outside of all sleeping areas and one detector on each level, including basements.

12. Know and be in compliance with all ***Fair Housing Laws***. Do not discriminate.
13. Test and maintain the working order of all smoke detectors.
14. ***Save money with AOA's Group Insurance Program.*** Contact our group insurance team today for a FREE QUOTE at 800-227-7434 or email AOA@hubinternational.com.
15. Go Green this year! Save money with a recycling program, increase your bottom line by replacing burnt out incandescent light bulbs with compact fluorescent light bulbs. (CFL) or save money by using Energy Star appliances. ***You may qualify for rebates or federal tax credits. For more information, visit http://www.energystar.gov/index.cfm?c=tax_credits.tx_index.***
16. Serve 3-Day Pay or Move-Out notices the day after unpaid rent is due. Do not wait until the tenant is months behind in payment. ***Do not include late fees*** in the 3-Day Notice as that will nullify proper service.
17. ***Enroll yourself and all your tenants in AOA's new "Resident Discount Club".*** You and your tenants will save money with coupons and enjoy substantial discounts on dining, shopping, groceries and every day items. It's a fun and exciting money-saving program to retain your good tenants and get those new leases signed.
18. Join AOA and regularly attend the FREE member seminars and workshops. Learn the laws. Knowledge is power!

If you have any additional suggestions, or have an experience that you'd like to share with other members, please email editor@aoausa.com. Patricia A. Harris is Senior Editor of the AOA Magazine.