

# Early Warning System

## Mountain View gives tenants longer notice on rent increases

**T**enants in Mountain View facing higher rents will have an extra month to organize their finances or find a new apartment when a new ordinance requiring landlords to give 60-day rental increase notices takes effect on January 18.

But at least one apartment owners' group that opposed the ordinance's passage hints it will look to the courts in hopes of overturning the newly enacted legislation doubling the term of the traditional 30-day notice for rent hikes.

Under the ordinance, landlords not providing proper written notice will be subject to fines of \$100 for the first violation, \$200 for the second violation and \$300 per additional violation in a calendar year.

"Two-thirds of our housing stock is in rental property," notes city Urban Planner Gail Collins in explaining why Mountain View became the county's first municipality to require an extended warning period. The legislation grew out of discussions held last year by the

City Council's Rental Housing Task Force, she says.

According to Collins, the action was prompted by testimony by dozens of Mountain View residents protesting sharp and unexpected rent increases to the council during public hearings last year. Though rent control has twice been defeated by Mountain View voters in recent years, the council still felt the economic problems faced by Mountain View renters were severe enough to warrant providing legal protection.

Collins believes the new law will help the city's renters by giving them more time to make whatever adjustments are required by rent increases. In addition, Collins feels the law should be workable for owners as well. "Usually, landlords know at least 60 days in advance what their plans are regarding rent increases," she says.

John Wortsman, an independent peninsula property manager, confirms Collins' view on the 60-day notices, adding that quite often the longer notices are good for his business. "If a

tenant chooses to move out after getting a \$25 rent increase, the unit can lie vacant for a whole month," Wortsman notes, "and if that happens, it could take a whole year to recoup the lost cash flow."

Nevertheless, the Tri-County Apartment Association, an affiliation of local apartment owners which opposed the ordinance, may soon take action to challenge the ordinance in court.

"We can't live with this at all," says Donni Grotte, Tri-County's director of governmental relations. "This is not a local issue, and we feel that the state legislature and the courts have spoken very loudly about who can regulate landlord contracts," she said.

Grotte feels that compelling landlords to give 60-day notices smacks of rent control. "It is one of the main elements of rent control," she maintains, "and it could lead to further restrictions on landlords."

"We'll have an announcement in the next two weeks about our response to this."

Not all area landlords are inclined to support the challenge, however. Former Palo Alto mayor Scott Carey, a principal in the Palo Alto-based Cornish & Carey real estate firm, has not actively opposed the legislation and shared some favorable comments on the law in a telephone interview.

"It doesn't affect me very much," Carey said, agreeing with Mountain View's Collins that landlords should be aware of their planned rent increases at least 60 days before they occur. "I don't think it should be much of a problem for landlords," he said.

Collins notes that renters wishing to report violations of Mountain View's new 60-day notification ordinance can call the city's Tenant-Landlord Services office at 415/966-6308.

—Hal Plotkin