

ORDINANCE NO. – N.S.

AMENDING THE TITLE OF CHAPTER 13.79 OF THE BERKELEY MUNICIPAL CODE AND ADDING A NEW SECTION 13.79.050 TO THE BERKELEY MUNICIPAL CODE REGARDING TENANT BUYOUT AGREEMENTS

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. That the title of Chapter 13.79 of the Berkeley Municipal Code is amended to read as follows:

Chapter 13.79 TENANT PROTECTIONS: AUTOMATICALLY RENEWING LEASES AND BUYOUT AGREEMENTS

Section 2. That a new section 13.79.050 is added to the Berkeley Municipal Code to read as follows:

13.79.050 Buyout offers and agreements.

A. This Section applies to every controlled rental unit.

B. Prior to making a buyout offer for a controlled rental unit, the landlord shall provide each tenant in that unit a written disclosure, on a form developed and authorized by the City, that shall include the following:

1. A statement that the tenant has a right not to enter into a buyout agreement;
2. A statement that the tenant may choose to consult with an attorney before entering into a buyout agreement;
3. A statement that the tenant may rescind the buyout agreement for up to thirty days after it is fully executed;
4. A statement that the tenant may consult the Rent Stabilization Board with respect to the buyout agreement;
5. A space for each tenant to sign and write the date the landlord provided the tenant with the disclosure.

C. Every buyout agreement shall be in writing and include the following statements in bold letters in at least fourteen-point type in close proximity to the space reserved for the signature of the tenant(s):

You may cancel this agreement in writing at any time before the thirtieth day after all parties have signed this agreement. You have a right not to enter into a buyout agreement. You may choose to consult with an attorney or the Rent Stabilization Board before signing this agreement. The Rent Stabilization Board may have information about other buyout agreements in your neighborhood.

D. A buyout agreement that does not satisfy all the requirements of this Section shall not be effective and shall be void at the option of the affected tenant(s). However any remedy based on an ineffective or void buyout agreement shall not include displacement of a subsequent tenant or tenants of the affected unit.

E. A tenant shall have the right to rescind a buyout agreement for up to thirty days after its execution by all parties. In order to rescind a buyout agreement, the tenant must

hand-deliver, e-mail, or place in the U.S. mail a statement to the landlord indicating that the tenant has rescinded the buyout agreement no later than the 30th day after it is executed by all parties.

F. 1. The landlord shall retain a copy of each signed disclosure form for five years, along with a record of the date the landlord provided the disclosure to each tenant, and shall give each tenant a copy of the buyout agreement at the time the tenant executes it.

2. The landlord shall provide a copy of the buyout agreement to the Rent Stabilization Board no sooner than the thirty-first day after the buyout agreement is executed by all parties, and no later than sixty days after the agreement is executed by all parties.

Section 3. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of Old City Hall, 2134 Martin Luther King Jr. Way. Within fifteen days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

