City of Richmond Rent Program Mid-Year Progress Report

ITEM H-1

Special Meeting of the Richmond Rent Board | August 23, 2017

Purpose of the Mid-Year Report

- 1. Acknowledge the City staff and volunteers who made the launch of the Rent Program possible
- 2. Orient the Rent Board and members of the public to the accomplishments, current areas of focus, and prospective endeavors of the Rent Program
- Solicit feedback from the Rent Board and members of the public about the performance and progress of the Rent Program to date

The Rent Program would like to recognize the following City staff members and volunteers, who provided critical leadership, policy development, and administrative support to the launch and early development of the Richmond Rent Program:

Acknowledgments

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Saidy Brizuela

Shasa Curl

Sherry Drobner

Mariah Fairley

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Shane Johnson

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David Padilla

Sofia Perez-Leon

Paige Roosa

Moises Serrano

Daniel Tu

Lynn Tu

Mike Uberti

Coreyana Whatley

Alex Walker-Griffen

Andrea Zuniga

Overview of Focus Areas in Mid-Year Report

- 1. Building the permanent Rent Program staff team
- Proposing revisions to adopted FY 2017-18 Rent Program Budget
- 3. Developing a process to hear Rent Adjustment Petitions, Excess Rent Complaints, and Unpaid Permanent and Temporary Relocation Payment Complaints
- 4. Conducting Community Education Workshops and other outreach events
- Development of Rent Program website and process to submit forms online
- 6. Providing customer service to Tenants, Landlords, Property Managers, and other members of the Community
- 7. Staffing and supporting the Rent Board

Focus Area #1: Building the Rent Program Team

1. Building the Permanent Rent Program Team

BUDGETED POSITIONS (FY 17-18)	STATUS
Executive Director (1 FTE)	Began July 13, 2017
Senior Management Analyst* (1 FTE)	Not yet retained
Management Analyst I/II (2-3 FTEs)	1 FTE retained. Additional positions expected to be posted in near future
Assistant/Associate Admin Analyst (1 FTE)	Job announcement posted
Administrative Aide (1 FTE)	Job announcement posted
FUTURE ADDITIONS (PROPOSED)	STATUS
Staff Attorney (1 FTE)	Contemplated; job classification drafted
Hearing Examiner (1 FTE)	Contemplated; job classification drafted

Focus Area #2: Exploring Possible Revisions to FY 17-18 Rent Program Budget

2. Proposed Modifications to FY 17-18 Rent Program Budget

Purpose of Budget Revisions

- Ensure the program is adequately resourced during startup phase
- Account for the future possibility of utilizing City staff as opposed to professional services contracts
- Ensure job descriptions fit desired function of the role

2. Proposed Modifications to FY 17-18 Rent Program Budget

<u>Proposed Revisions to FY 2017-17 Rent Program</u> <u>Budget:</u>

- Replacement of Hearing Examiner contract services with an in-house Hearing Examiner
- Replacement of Legal Services contract with an in-house Staff Attorney
- Possible addition of one Management Analyst I/II (bilingual)
- Replacement of Administrative Trainee with the Administrative Aide Position

Proposed changes shall not exceed budgeted amount approved for FY 17-18 on May 24, 2017

2. Proposed Modifications to FY 17-18 Rent Program Budget (con't)

- Possible Sources of Funds for Possible FY 17-18 Budget Amendment:
 - Reduction in Professional Services contracts (Legal Counsel, Hearing Examiner, Translation) commensurate with the increase in staff (FTEs)
 - Reducing the budgeted salary ranges for two Management Analysts to Management Analyst I (previously budgeted at MA II)

2. Proposed Modifications to FY 17-18 Rent Program Budget (con't)

Suggested Approach and Timeline

 August Rent Board Meeting: Solicit feedback from Rent Boardmembers on conceptual revisions

 September Rent Board Meeting: Present amended budget to Rent Boardmembers for consideration

 October Rent Board Meeting: Budget public hearing and possible adoption of revised budget

Focus Area #3: Process to Hear Petitions and Complaints

3. Current Status of Rent Adjustment Petitions and Excess Rent Complaints

Petition and Complaint Submissions

- As of August 16, 2017, the Rent Program has received:
 - 49 upward Rent Adjustment Petitions submitted by Landlords seeking a fair rate of return
 - 41 Excess Rent Complaints
 - 14 downward Rent Adjustment Petitions submitted by Tenants with habitability problems or experiencing a decrease in Housing Services
- Additional Rent Regulations are needed in order to adjudicate upward Rent Adjustment Petitions

3. Current **Status of Rent** Adjustment **Petitions and Excess Rent** Complaints (con't)

Mediation as a Partial Solution to Current Backlog

 It is proposed that the Rent Board contract with a professional mediator to address the backlog of Excess Rent Complaints and downward Rent Adjustment Petitions.

- Staff are working with subject matter experts to prepare rent adjustment regulations for the Board's consideration in October December, 2017.
- The Human Resources Department estimates that the Hearing Examiner job classification may be established as early as December, 2017 (to align with the Board's consideration of necessary regulations).

Focus Area #4:
Community
Education and
Outreach



4. Conducting Community Education and Outreach

PAST EVENTS:

- Community Education Workshops:
 - January 18, 2017
 - March 29, 2017
 - July 12, 2017 (Tenant-Focused)
 - July 27, 2017 (Landlord Focused)
- Group Computer Support Sessions
 - March 21, 2017
 - March 30, 2017
- Tabling at Festivals/Events
 - Cinco de Mayo (May 7, 2017)
 - Juneteenth (June 17, 2017)
 - National Night Out (August 1, 2017)

Rent Program Listserv: 1,200+ subscribers

4. Conducting Community Education and Outreach (con't)

Outreach Materials

Postcard Announcement Informational Brochure

December 30, 2016 Postcard Mailing

- Every Door Direct Mail (EDDM)
- All non-resident owners of residential property

Rent Program Brochure

 Must be provided to all Tenants by the Landlord, and with each notice of rent increase (RMC 11.100.060(g))





4. Conducting Community Education and Outreach (Con't)

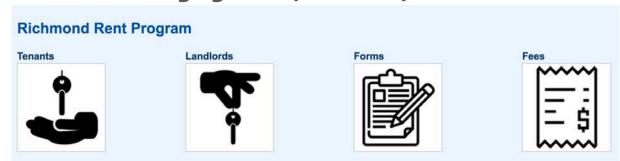
FUTURE OUTREACH:

- Mass mailing to Landlords and Tenants to solicit enrollment of Rental Units on Rent Program website
- Development of community engagement events calendar
- Publishing Rent Program Manual for Tenants and Landlords
- Development of additional informational materials (FAQs, factsheets)
- Creation and maintenance of social media accounts
- Targeted outreach to various stakeholder groups

Focus Area #5: Further Development of Rent Program Website

5. Rent Program Website www.richmondrent.org

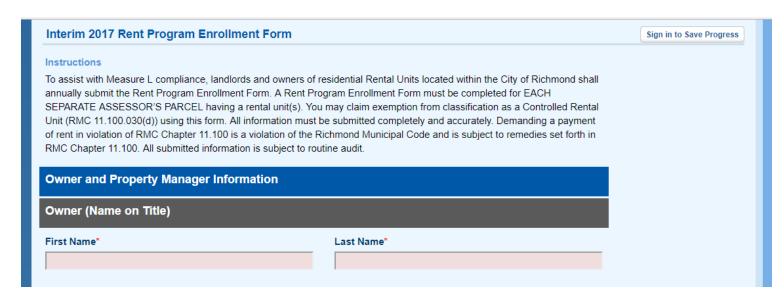
- One-stop access to Rent Program forms, resources, and policies
- Forms may be accessed, completed, and submitted online
 - Enrollment, Agent Authorization
 - Rent Increase, Termination of Tenancy, Proof of Service
 - Excess Rent Complaint, Rent Adjustment Petition
- Additional Resources
 - Maps and Property Information
 - City Permits and License Records
 - Brochure
 - Resource Directory
- Rent Board meeting agendas, minutes, and materials



5. Rent Program Website (con't) www.richmondrent.org

Current Stats

- Over 8,800 online form submissions as of August 17, 2017
- Includes 1,225 Enrollment Forms (equates to roughly 7,800 enrolled Rental Units, ~30% of the estimated total Rental Units in the City)
- Since January, Rent Program staff members have offered more than roughly **116 hours on individual, one-on-one assistance** with the completion of online forms.



5. Rent Program Website (con't) www.richmondrent.org

Online Form Streamlining Efforts:

CHANGE #1: One CivicPlus form may now include multiple notices

- <u>Original Process:</u> Landlords or authorized agents would need to complete a separate CivicPlus online form submission for each notice of rent increase, termination of tenancy, or change in terms of tenancy served to a Tenant.
- <u>Revised Process:</u> Like the enrollment form, if all Rental Units are on the same APN, the Landlord or authorized agents may list up to five (5) Rental Units on the online form, or, if there are more than five Rental Units receiving the notice, the Landlord can upload an Excel file with all of the requisite fields.

Website (con't)

5. Rent Program

www.richmondrent.org

Online Form Streamlining Efforts:

CHANGE #2: A Proof of Service form is uploaded with the notice filed with the City

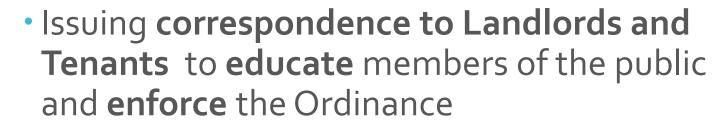
- Original Process: Landlords would need to comply with the following process:
- 1. Fill out online notification form (one form for each notice)
- 2. Serve notice on the Tenant
- 3. Fill out online Proof of Service form (one form for each notice)
- <u>Revised Process:</u> Landlords must upload a <u>Proof of Service</u> along with the notice filed with the City. Completion of a separate, online Proof of Service form is no longer necessary.

Focus Area #6: Tenant/Landlord Counseling

Rent Program Office

440 Civic Center Plaza Suite 200 (Second Floor) Richmond, CA 94804

- Opened January 3, 2017
- Walk-In and Phone Hours:
 - Monday Friday
 - 9:00 AM 12:00 PM
 - 1:00 PM 4:00 PM
- Personal consultations
- Individual computer support





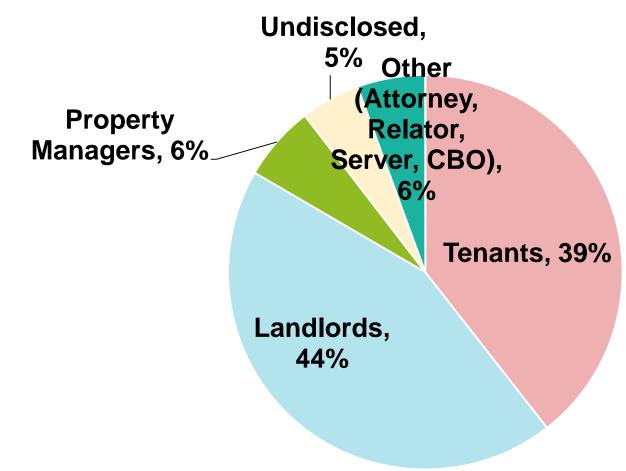
6. Tenant/Landlord Counseling

Current Stats:

- As of August 16, 2017, the Rent Program has received **over 5,000 inquiries**, including:
 - 1,878 Phone Calls
 - 1,245 Walk-Ins
 - 1,099 Emails
 - 899 Voicemails
- Approximately 9.2% of these inquiries are unresolved, meaning additional follow-up is necessary to compel compliance with the Ordinance

Figure 1. Proportion of Calls to the Rent Program placed by Tenants, Landlords, Property Managers, and Other Individuals

6. Tenant/Landlord Counseling

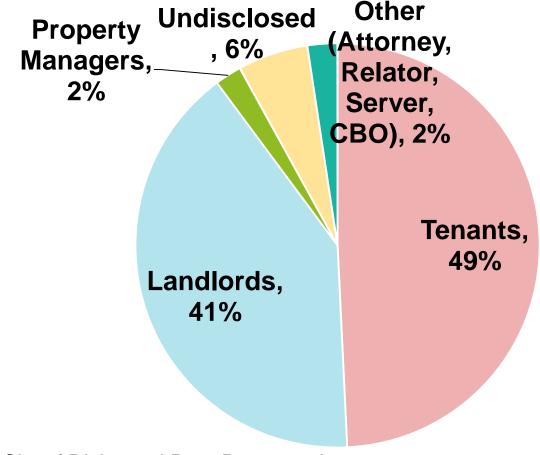


Source: City of Richmond Rent Program, August 2017

n = 1,904

Figure 2. Proportion of visits to the Rent Program office made by Tenants, Landlords, Property Managers, and Other Individuals

6.
Tenant/Landlord
Counseling
(con't)

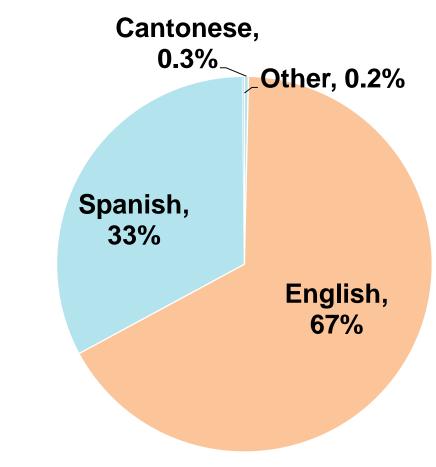


n = 1,259

Source: City of Richmond Rent Program, August 2017

Figure 3. Proportion of Individuals Who Visited the Rent Program office who prefer to speak English, Spanish, Cantonese, and Other Languages

6.
Tenant/Landlord
Counseling
(con't)



n= 1,174

Source: City of Richmond Rent Program, August 2017

6. Tenant/Landlord Counseling (con't)

<u>Update on Legal Services for Landlords and Tenants</u>

- On June 21, 2017, the Rent Board directed staff to negotiate and execute legal services for representation of Landlords and Tenants in a total contract amount not to exceed \$155,494 for FY 16-17 and FY 17-18
- RFQ/P posted on Rent Program website and disseminated during the week of August 14
- First Addendum posted during the week of August 21 to clarify additional direction provided by the Rent Board:
 - Undocumented immigrants, residents, and citizens all receive same level of service
 - Contracts used to hire additional staff and obtain more resources (as opposed to funding current resources and staffing levels
- Proposals are due no later than Friday, September 8, 2017, at 12:00 PM for consideration
- Link to RFQ/P: <u>Qualifications and Proposals</u>

Focus Area #7: Supporting the Rent Board

7. Supporting the Rent Board (con't)

Rent Board Accomplishments:

- Adoption of <u>amended Fiscal Year 2016-17 and 2017-18 Rent Program Budgets</u>
- Approval of the <u>2016-17 and 2017-18 Residential Rental Housing</u> <u>Fee Study</u>
- Approval of contracts for Legal Services
- Interviewing and selecting an Executive Director
- Adoption of Rent Board Regulations, including:
 - Regulation 17-02, regarding Rent Adjustment Petitions and Excess Rent Complaints
 - Regulation 17-03, Regarding Rental Units Exempt from the Rent Control and Just Cause for Eviction Provisions of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance
 - Regulation 17-04, regarding the filing with the Board of notices of rent increase and termination of tenancies and enrolling Rental Units with the Board
 - Regulation 17-05, establishing the 2017 Annual General Adjustment

7. Supporting the Rent Board

Possible Future Areas of Policy Consideration:

- Determining metrics to establish Fair Rate of Return standards
- Rental Housing Fee Pass-Through
- Procedural requirements in order to Withdraw Units from the Rental Market pursuant to RMC 11.100.050(a)(7)
- Banking of Annual General Adjustment rent increases
- Written Warning Notice requirements prior to an eviction for Breach of Lease, Nuisance, or Failure to Give Access and the relationship to the Crime Free Lease Addendum
- Recommending amendments to the Relocation Ordinance (RMC 11.102)
- Application of rent control and just cause for eviction to governmentally subsidized units

Item H-1: Recommended Action

RECEIVE a mid-year progress report regarding implementation of the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance.

Thank You

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