

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: October 18, 2017

Final Decision Date Deadline: October 18, 2017

STATEMENT OF THE ISSUE: In the coming months, the Rent Board will consider a large volume of complex rent regulations. To inform Boardmembers about the history and status of rent control policy in the context of the Bay Area, staff members are coordinating a three-part seminar series for members of the public and Rent Board, facilitated by various administrative and policy-oriented rent control experts. Staff members are providing the Board with a preliminary list of proposed topics to allow the Board to shape the curriculum as desired.

INDICATE APPROPRIATE BODY

- | | | | | |
|---|---|--|--|---|
| <input type="checkbox"/> City Council | <input type="checkbox"/> Redevelopment Agency | <input type="checkbox"/> Housing Authority | <input type="checkbox"/> Surplus Property Authority | <input type="checkbox"/> Joint Powers Financing Authority |
| <input type="checkbox"/> Finance Standing Committee | <input type="checkbox"/> Public Safety Public Services Standing Committee | <input type="checkbox"/> Local Reuse Authority | <input checked="" type="checkbox"/> Other: <u>Rent Board</u> | |

ITEM

- | | | |
|---|--|---------------------------------|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Regulation | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Contract/Agreement | <input checked="" type="checkbox"/> Rent Board As Whole | |
| <input type="checkbox"/> Grant Application/Acceptance | <input type="checkbox"/> Claims Filed Against City of Richmond | |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Video/PowerPoint Presentation (contact KCRT @ 620.6759) | |

RECOMMENDED ACTION: RECEIVE a proposed syllabus for the anticipated Rent Control and Just Cause for Eviction seminar series, anticipated to be provided to the Rent Board and members of the public in November and December, 2017 – Rent Program (Nicolas Traylor/Paige Roosa 620-6537).

AGENDA ITEM NO:

I-4.

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AGENDA REPORT

DATE: October 18, 2017

TO: Chair Gray and Members of the Rent Board

FROM: Nicolas, Traylor, Executive Director
Paige Roosa, Management Analyst

SUBJECT: PROPOSED SYLLABUS FOR RENT CONTROL SEMINARS

STATEMENT OF THE ISSUE:

In the coming months, the Rent Board will consider a large volume of complex rent regulations. To inform Boardmembers about the history and status of rent control policy in the context of the Bay Area, staff members are coordinating a three-part seminar series for members of the public and Rent Board, facilitated by various administrative and policy-oriented rent control experts. Staff members are providing the Board with a preliminary list of proposed topics to allow the Board to shape the curriculum as desired.

RECOMMENDED ACTION:

RECEIVE a proposed syllabus for the anticipated Rent Control and Just Cause for Eviction seminar series, anticipated to be provided to the Rent Board and members of the public in November and December, 2017 – Rent Program (Nicolas Traylor/Paige Roosa 620-6564).

FISCAL IMPACT:

The cost of administering these seminars is estimated to cost approximately \$500 per session, for a total of \$1,500, the cost of which is included in the Fiscal Year 2017-18 Rent Program budget adopted by the Rent Board on September 20, 2017.

DISCUSSION:

Background

Since their first meeting on April 5, 2017, members of the Rent Board have considered and adopted several key regulations. Despite this progress, there remain dozens of key regulations that must be considered, many of which are complex and present important policy considerations. While each Boardmember is knowledgeable in housing-related

matters, be it affordable housing, real estate, landlord/tenant law, rent control and eviction protection laws reflect important and often nuanced policy considerations. The proposed seminars are intended to empower the Board to make informed decisions in the context of the Bay Area real estate market and California housing laws.

Proposed Timeline

The three-part seminar series is anticipated to be held throughout the months of November and December. Staff are in the process of polling Boardmembers for availability. Feedback or suggestions regarding the proposed list of topics may be submitted to the Executive Director until the syllabus is finalized in early November.

DOCUMENTS ATTACHED:

Attachment 1 – Proposed Syllabus

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DRAFT: Sept. 27, 2017
Dr. Stephen Barton

Meeting times:

IA. Introduction (30 minutes)

1. Overview: focus on affordability of rental housing in SF Bay Area
2. Social policy perspectives on housing
3. The complex nature of housing
4. Government and the market

Reading:

- Bjorn Harsman and John M. Quigley, *Housing Markets and Housing Institutions: An International Comparison*, 1991, “Introduction”, 1 – 10.
- Joseph William Singer, “Property and Social Relations”, 3 – 19, in Charles Geisler & Gail Deneker, *Property and Values: Alternatives to Public and Private Ownership*, Island Press, 2000
- Judith I. de Neufville & Stephen E. Barton, “Myths and the Definition of Policy Problems: An Exploration of Home Ownership and Public-Private Partnerships”, *Policy Sciences* 20 (1987) 181-206.

IB. The high cost of housing in the San Francisco Bay Area (30 – 45 minutes)

1. Unnecessarily high rents due to scarcity
2. Sources of high demand
3. Sources of constraint on supply
4. Earned profit and unearned land rent
5. The unending cycle
6. Key concept: publicly created value

Reading:

- Stephen E. Barton, “Land Value, Land Rent and Progressive Housing Policy”, *Progressive Planning*, Fall 2010, 23 – 25.

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- Stephen E. Barton, “Land Rent and Housing Policy: A Case Study of the San Francisco Bay Area Rental Housing Market”, *American Journal of Economics and Sociology*, 70:4 (Oct. 2011) 845 – 873.

II. Public Policy Overview: The advantages and disadvantages of Market Supply, Rent Regulation, Household Subsidy, Capital Subsidy (60 – 90 minutes)

1. Increasing Supply Through the Market: For-profit development
 - a. Easing land use regulations: zoning, density bonus
 - b. Filtering and its limitations
2. Rent Regulation
 - a. Freeze
 - b. Strong rent control with vacancy control
 - c. Moderate rent control with vacancy decontrol-recontrol
 - d. Mandatory mediation
3. Increasing Incomes, Household Subsidies
 - a. Income policy and housing assistance
 - i. Affordability problems and income problems
 - ii. Why not just give money?
 - b. Rental assistance programs
 - c. Homeownership assistance programs
4. Capital Subsidies with For-Profit Ownership
 - a. Below-market projects
 - b. Below-market units in market-rate projects
 - c. Funding BMR units from land value: Density bonus and exactions
5. Non-Profit or Limited-Equity Ownership
 - a. Public housing
 - b. Non-profit rental housing
 - c. Limited and non-equity cooperatives
 - d. Community Land Trusts
 - e. Funding non-profit housing

Reading:

- W. Dennis Keating, “Rent Control: Its Origins, History and Controversies”, 1 – 14 in *Rent Control: Regulation and the Rental Housing Market*, Dennis Keating, Michael Teitz and Andrejs Skaburskis (eds), Center for Urban Policy Research Press, New Brunswick, 1998.
- Stephen E. Barton, “Social Housing Versus Housing Allowances: Choosing Between Two Forms of Housing Subsidy at the Local Level”, *Journal of the American Planning Association*, 62 (1996) 108-119

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- Stephen E. Barton, “From Community Control to Professionalism: Social Housing in Berkeley, California, 1976 – 2011”, *Journal of Planning History*, 13:2 (May 2014) 160 – 182.
- Stephen E. Barton, “The City’s Wealth and the City’s Limits: Progressive Housing Policy in Berkeley, California, 1976 – 2011”, *Journal of Planning History*, 11:2 (May 2012) 160 – 178.

III A. Key Issues in Moderate Rent Stabilization

1. Why the “free market” critique of moderate rent stabilization is wrong
2. Rent Regulation and State Law
3. Protecting rent stabilized housing
4. Fair return standards

Readings:

- Stephen E. Barton, *Benefits of Rent Stabilization: A Brief Overview*, State of Oregon House Committee on Human Services and Housing, February 28, 2017
- Dennis Keating, Michael Teitz and Andrejs Skaburskis (editors), *Rent Control: Regulation and the Rental Housing Market*, Center for Urban Policy Research Press, Rutgers University, 1998.
 - W. Dennis Keating, “Rent Control: Its Origins, History and Controversies”, 1 – 14
 - W. Dennis Keating, “Rent Control Legislation and Administration”, 15 – 26
 - Stephen E. Barton, “The Success and Failure of Strong Rent Control in the City of Berkeley: 1978 to 1995”, 88 – 109
 - Dennis Keating, Michael Teitz and Andrejs Skaburskis, “Conclusion”, 204 – 207
- Kenneth Baar, Ph.D., “Fair Return Standards”, Mountain View Rental Housing Committee, May 4, 2017
- Stephen E. Barton, Review of the City of East Palo Alto Rent Stabilization Program, Jan. 28, 2015

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