

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: June 20, 2018

Final Decision Date Deadline: June 20, 2018

STATEMENT OF THE ISSUE: The Rent Board uses two different nomenclatures in adopting its Regulations (e.g. numbered regulations, such as Regulation 17-01, and chaptered regulations, such as Regulation Chapter 8). This may be a source of confusion and complicate the task of locating and understanding the Regulations for the community. To minimize this potential confusion and improve accessibility, staff members are recommending centralization of existing Regulations, through a reformatting process known as "Chapterization." Because of the extent of work Chapterization presents, staff members have opted to take an incremental approach to this process. For the purposes of this meeting, staff members are recommending Chapterization of Regulation 17-01 and Regulation 17-03 into Chapter 2.

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> | |

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|---|--|---------------------------------|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| <input type="checkbox"/> Public Hearing | <input checked="" type="checkbox"/> Regulation | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Contract/Agreement | <input 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: APPROVE the Chapterization of Regulation 17-01 and Regulation 17-03 into Chapter 2 and PROVIDE direction to staff regarding how future Chaptered Regulations should be presented to the Rent Board – Rent Program (Nicolas Traylor/Charles Oshinuga 620-6564).

AGENDA ITEM NO:

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AGENDA REPORT

DATE: June 20, 2018

TO: Chair Gray and members of the Rent Board

FROM: Nicolas Traylor, Executive Director
Charles Oshinuga, Staff Attorney

SUBJECT: CHAPTERIZATION OF REGULATION 17-01 AND REGULATION 17-03
TO CHAPTER 2 OF THE REGULATIONS

STATEMENT OF THE ISSUE:

The Rent Board uses two different nomenclatures in adopting its Regulations (e.g. numbered regulations, such as Regulation 17-01, and chaptered regulations, such as Regulation Chapter 8). This may be a source of confusion and complicate the task of locating and understanding the Regulations for the community. To minimize this potential confusion and improve accessibility, staff members are recommending centralization of existing Regulations, through a reformatting process known as "Chapterization." Because of the extent of work Chapterization presents, staff members have opted to take an incremental approach to this process. For the purposes of this meeting, staff members are recommending Chapterization of Regulation 17-01 and Regulation 17-03 into Chapter 2.

RECOMMENDED ACTION:

APPROVE the Chapterization of Regulation 17-01 and Regulation 17-03 into Chapter 2 and PROVIDE direction to staff regarding how future Chaptered Regulations should be presented to the Rent Board – Rent Program (Nicolas Traylor/Charles Oshinuga 620-6564).

FISCAL IMPACT:

There is no fiscal impact related to this item.

DISCUSSION:

Currently, regulations adopted by the Rent Board to further the intent and purpose of the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (Rent Ordinance) are decentralized and exist in two distinct formats: a chapter format

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and an unchaptered format. As it exists, staff members find the formatting of the Regulations to be inconsistent with other rent control jurisdictions. Additionally, because the Regulations are not centralized, the public has expressed difficulty in locating the Regulations and staff members are concerned that inconsistent formatting may lead to the appearance that certain Regulations are more important than others. To minimize confusion and create consistency, staff members are proposing centralizing the Regulations into a Chapter format. Because of the extent of work Chapterization presents, staff members have opted to take an incremental approach to this process. Thus, Staff has started by first Chaptering Regulation 17-01 and Regulation 17-03 into Chapter 2. Staff members propose starting with these Regulations because they are relevant to the items being presented in conjunction with this item at the June 20, 2018, Regular Meeting.

Conclusion

Staff members recommend that the Rent Board approve the Chaptering of Regulation 17-01 and Regulation 17-03 into Chapter 2 and provide further direction to staff regarding how future Chaptered Regulations should be presented to the Board.

DOCUMENTS ATTACHED:

Attachment 1 – Chapter 2 of the Regulations

Attachment 2 – Regulation 17-01

Attachment 3 – Regulation 17-03

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Chapter 2: APPLICABILITY

200. Purpose

The purpose of this Chapter 2 is to describe those categories of properties which are exempt from the Ordinance and to provide a process and procedure for those Controlled Rental Units seeking to establish an exemption from this Ordinance.

201. Rental Units Exempt from both the Rent Control (R.M.C § 11.100.070) and Just Cause from Eviction (R.M.C § 11.100.050) Provisions of the Ordinance

- A. Rental Units in hotels, motels, inns, tourist homes and rooming and boarding houses that are rented primarily to transient guests for a period of fewer than 14 days;
- B. Rental Units in any hospital, convent, monastery, extended medical care facility, asylum, or non-profit home for the aged, or dormitory owned and operated by an accredited institution of higher education;
- C. Rental Units for which there is a Temporary Tenancy, as defined in R.M.C § 11.100.030(q);
- D. Rental Units that are lawful and in compliance with the Small, Second Unit Ordinance of the City (R.M.C § 11.15.04) if the Primary Residence is occupied by the property owner; and
- E. Rental Units where the Rental Unit is the Primary Residence of the property owner and the property owner shares with a Tenant(s) a bathroom or kitchen.

202. Governmentally Subsidized Rental Units Exempt from the Rent Control Provisions of the Ordinance

The following rental units are exempt from the rent control (RMC 11.100.070), but not the just cause for eviction (RMC 11.100.050) provisions of the Ordinance.

- A. Rental units in which a tenant household holds a Section 8 Housing Choice Voucher and where the rent not does exceed the Payment Standard as published by the U.S. Department of Housing and Urban Development.
- B. Rental units for which the rent is subsidized by the Project-Based Section 8 Program
- C. Rental units that are “rent restricted” in a Low Income Housing Tax Credit Program Project. “Rent Restricted” means the rent charged for the unit is affordable for a qualifying Tenant pursuant to the Regulatory Agreement.
- D. Rental units for which the rent is subsidized by the Section 202 Supportive Housing for the Elderly Program

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E. Rental units that are “rent restricted” under a regulatory agreement between a governmental agency and a property owner. “Rent Restricted” means the rent charged for the unit is affordable for a qualifying Tenant pursuant to the Regulatory Agreement.

203. Other Rental Units Exempt from the Rent Control Provisions of the Ordinance

In addition to rental units that are exempt from rent control under R.M.C § 11.100.100.030 (d)(1)(2)(4) (5) and (6), rental units which a governmental unit, agency or authority owns, operates or manages are exempt from the rent control provisions of the Ordinance. Section 11.100.030 (d)(3), Richmond Municipal Code.

204. Exemption Only Applies if Rental Unit is in Compliance with Applicable Laws and Regulations

The exemption from rent control (RMC 11.100.070) as described in Section 202 and Section 203 of this Regulation only applies so long as the rental unit is in compliance with all applicable laws and regulations, and for which there is in effect (a) a tenant with a Section 8 Housing Choice Voucher in the rental unit, (b) the rental unit is in a Project-Based Section 8 Program, and/or (c) the rental unit is rent restricted under a regulatory agreement and/or declaration of restrictive covenants.

Nothing in this section shall preclude tenants residing in rental units described in Section 202 of this Regulation from seeking advice or assistance from the Rent Program concerning applicable provisions of the Ordinance and utilizing the remedies provided in the Ordinance to the extent permitted by Federal, State, and local law.

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RICHMOND RENT BOARD REGULATION 17-01

Regarding the Exemption of Certain Rental Units from Rent Control (RMC 11.100.070)

1. Purpose

The Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance (“Ordinance”) provides that rental units in which governmentally subsidized Tenants reside are exempt from the rent control provisions of the Ordinance only if applicable federal, state or administrative regulations specifically exempt such units from municipal rent control. Section 11.100.030 (d)(3), Richmond Municipal Code. The purpose of this Regulation is to clarify the exemption from the rent control provisions of the Ordinance to certain rental units in which governmentally subsidized tenants reside because the rents for these units are already regulated through governmental regulation. Such units would still be subject to the just cause provisions of the Ordinance under Section 11.100.050.

2. Rental Units in Which Governmentally Subsidized Tenants Reside That are Exempt from the Rent Control Provisions of the Ordinance

The following rental units are exempt from the rent control (RMC 11.100.070), but not the just cause for eviction (RMC 11.100.050) provisions of the Ordinance.

- A. Rental units in which a tenant household holds a Section 8 Housing Choice Voucher and where the rent not does exceed the Payment Standard as published by the U.S. Department of Housing and Urban Development.
- B. Rental units for which the rent is subsidized by the Project-Based Section 8 Program
- C. Rental units that are “rent restricted” in a Low Income Housing Tax Credit Program Project. “Rent Restricted” means the rent charged for the unit is affordable for a qualifying Tenant pursuant to the Regulatory Agreement.
- D. Rental units for which the rent is subsidized by the Section 202 Supportive Housing for the Elderly Program
- E. Rental units that are “rent restricted” under a regulatory agreement between a governmental agency and a property owner. “Rent Restricted” means the rent charged for the unit is affordable for a qualifying Tenant pursuant to the Regulatory Agreement.

3. Other Rental Units That are Exempt from the Rent Control Provisions of the Ordinance

In addition to rental units that are exempt from rent control under Section 11.100.100.030 (d)(1)(2)(4) (5) and (6), Richmond Municipal Code, as implemented by Rent Board Regulation 17-03, rental units which a governmental unit, agency or authority owns, operates or manages are exempt from the rent control provisions of the Ordinance. Section 11.100.030 (d)(3), Richmond Municipal Code.

4. Exemption Only Applies if Rental Unit is in Compliance with Applicable Laws and Regulations

The exemption from rent control (RMC 11.100.070) as described in Section 2 of this Regulation 17-01 only applies so long as the rental unit is in compliance with all applicable laws and regulations, and for which there is in effect (a) a tenant with a Section 8 Housing Choice Voucher in the rental unit, (b) the rental unit is in a Project-Based Section 8 Program, and/or (c) the rental unit is rent restricted under a regulatory agreement and/or declaration of restrictive covenants.

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RICHMOND RENT BOARD 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 (Chapter 11.100, Richmond Municipal Code)

The following Rental Units are exempt from the Rent Control (11.100.070) and the Just Cause for Eviction (11.100.050) provisions of the Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance. Landlords of the following Rental Units are not required to file with the Board rental increase notices, changes in terms of tenancies or tenancy termination notices, or copies of a proof of service of such notices on a tenant:

- (a) Rental Units in hotels, motels, inns, tourist homes and rooming and boarding houses that are rented primarily to transient guests for a period of fewer than 14 days;
- (b) Rental Units in any hospital, convent, monastery, extended medical care facility, asylum, or non-profit home for the aged, or dormitory owned and operated by an accredited institution of higher education;
- (c) Rental Units for which there is a Temporary Tenancy, as defined in Section 11.100.030 (q), RMC;
- (d) Rental Units that are lawful and in compliance with the Small, Second Unit Ordinance of the City (Section 11.15.04 RMC) if the Primary Residence, as defined in Section 11.100.030 (h), RMC is occupied by the property owner; and
- (e) Rental Units where the Rental Unit is the Primary Residence of the property owner and the property owner shares with a Tenant(s) a bathroom or kitchen.

