



SPECIAL MEETING OF THE RENT BOARD OF THE CITY OF RICHMOND

CITY COUNCIL CHAMBERS, COMMUNITY SERVICES BUILDING
440 Civic Center Plaza, Richmond, CA 94804

Wednesday, November 14, 2018

Boardmembers

Nancy Combs
Virginia Finlay
Emma Gerould
David Gray
Lauren Maddock

Link to Rent Board Meeting Agendas and Accompanying Materials:

www.ci.richmond.ca.us/3375/Rent-Board

COMMUNICATION ACCESS INFORMATION

This meeting is being held in a wheelchair accessible location. To request disability-related accommodation(s) to participate in the meeting, including auxiliary aids or services, please contact Bruce Soublet, ADA Coordinator, at (510) 620-6509 at least three business days before the meeting date.

NOTICE TO PUBLIC

The City of Richmond encourages community participation at public meetings and has established procedures that are intended to accommodate public input in a timely and time-sensitive way. As a courtesy to all members of the public who wish to participate in Rent Board meetings, please observe the following procedures:

Public Comment on Agenda Items: Persons wishing to speak on a particular item on the agenda shall file a speaker form with City staff **PRIOR** to the Rent Board's consideration of the item on the agenda. Once the clerk announces the item, only those persons who

have previously submitted speaker forms shall be permitted to speak on the item. Each speaker will be allowed up to two minutes to address the Rent Board.

Public Forum: Individuals who would like to address the Rent Board on matters not listed on the agenda or on items remaining on the consent calendar may do so under Public Forum. All speakers must complete and file a speaker's card with City staff prior to the commencement of Public Forum. The amount of time allotted to individual speakers shall be determined based on the number of persons requesting to speak during this item. The time allocation for each speaker will be as follows: 15 or fewer speakers, a maximum of 2 minutes; 16 to 24 speakers, a maximum of 1 and one-half minutes; and 25 or more speakers, a maximum of 1 minute.

Conduct at Meetings: Richmond Rent Board meetings are limited public forums during which the City strives to provide an open, safe atmosphere and promote robust public debate. Members of the public, however, must comply with state law, as well as the City's laws and procedures and may not actually disrupt the orderly conduct of these meetings. The public, for example, may not shout or use amplifying devices, must submit comment cards and speak during their allotted time in order to provide public comment, may not create a physical disturbance, may not speak on matters unrelated to issues within the jurisdiction of the Rent Board or the agenda item at hand, and may not cause immediate threats to public safety.

City Harassment Policy: The City invites public comment and critique about its operations, including comment about the performance of its public officials and employees, at the public meetings of the City Council and boards and commissions. However, discriminatory or harassing comments about or in the presence of City employees, even comments by third parties, may create a hostile work environment, if severe or pervasive. The City prohibits harassment against an applicant, employee, or contractor on the basis of race, religious creed, color, national origin, ancestry, physical disability, medical condition, mental disability, marital status, sex (including pregnancy, childbirth, and related medical conditions), sexual orientation, gender identity, age or veteran status, or any other characteristic protected by federal, state or local law. In order to acknowledge the public's right to comment on City operations at public meetings, which could include comments that violate the City's harassment policy if such comments do not cause an actual disruption under the Council Rules and Procedures, while taking reasonable steps to protect City employees from discrimination and harassment, City Boards and Commissions shall adhere to the following procedures. If any person makes a harassing remark at a public meeting that violates the above City policy prohibiting harassment, the presiding officer of the meeting may, at the conclusion of the speaker's remarks and allotted time: (a) remind the public that the City's Policy Regarding Harassment of its Employees is contained in the written posted agenda; and (b) state that comments in violation of City policy are not condoned by the City and will play no role in City decisions. If any person makes a harassing remark at a public meeting that violates the above City policy, any City employee in the room who is offended by remarks violating the City's policy is excused from attendance at the meeting. No City employee is compelled to remain in attendance

where it appears likely that speakers will make further harassing comments. If an employee leaves a City meeting for this reason, the presiding officer may send a designee to notify any offended employee who has left the meeting when those comments are likely concluded so that the employee may return to the meeting. The presiding officer may remind an employee or any council or board or commission member that he or she may leave the meeting if a remark violating the City's harassment policy is made.

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SPECIAL MEETING OF THE RICHMOND RENT BOARD

AGENDA

5:00 PM

- A. PLEDGE TO THE FLAG
- B. ROLL CALL
- C. STATEMENT OF CONFLICT OF INTEREST
- D. AGENDA REVIEW
- E. DEPARTMENT UNIT PRESENTATIONS – FRONT OFFICE AND HEARINGS UNITS
- F. PUBLIC FORUM
- G. RENT BOARD CONSENT CALENDAR

- G-1. APPROVE the minutes of the September 19, 2018; Regular Meeting of the Richmond Rent Board. ***This item was continued from the October 17, 2018, meeting.*** *Cynthia Shaw*
- G-2. RECEIVE letters from community members regarding the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, RMC 11.100. *Cynthia Shaw*
- G-3. RECEIVE the September 2018 Rent Program Monthly Report. ***This item was continued from the October 17, 2018, meeting.*** *Paige Roosa*
- G-4. RECEIVE the October 2018 Rent Program Monthly Report. *Paige Roosa*

H. STUDY AND ACTION SESSION

- H-1.** RECEIVE Tenant Buyout Agreement Policy Options and DIRECT staff to (1) present the Rent Board's selected policy option during a study session at a meeting of the City of Richmond City Council and (2) work with City staff to develop a Buyout Agreement Ordinance.
- Nicolas Traylor
Paige Roosa
Magaly Chavez*

I. REGULATIONS

- I-1.** ADOPT amendments to Regulation 602 to (1) clarify the banking provisions of the Regulation, where Landlords may apply up to 5% of deferred rent increases in a twelve-month period, and (2) establish the utilization of a compound interest formula, rather than a simple interest formula, in the calculation of the Maximum Allowable Rent. ***This item was continued from the October 17, 2018, meeting.***
- Nicolas Traylor*
- I-2.** ADOPT an amendment to Regulation 842(F), removing the provision that if the Board has not acted on an appeal at two consecutive Board meetings, the appeal is deemed denied.
- Nicolas Traylor*

J. RENT BOARD AS A WHOLE

- J-1.** DIRECT staff to negotiate and execute community legal services contracts for qualifying Richmond residents in a total contract amount not to exceed \$37,500 for the second half of Fiscal Year 2018-19 (January 2019 – June 2019).
- Nicolas Traylor*
- J-2.** (1) RECEIVE an update from the Ad Hoc Committee on their efforts to reach an agreement with affordable housing providers to address rent increases and living conditions in Low-Income Housing Tax Credit developments; and (2) DISCUSS proposed strategies to mitigate destabilizing
- Nicolas Traylor
Philip Verma*

rent increases and address living conditions in Low-Income Housing Tax Credit developments.

K. REPORTS OF OFFICERS

L. ADJOURNMENT

Any documents produced by the City and distributed to a majority of the Rent Board regarding any item on this agenda will be made available at the Rent Program Office located on the second floor of 440 Civic Center Plaza and will be posted at www.richmondrent.org.

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: November 14, 2018

Final Decision Date Deadline: November 14, 2018

STATEMENT OF THE ISSUE: The minutes of the September 19, 2018, Regular Meeting of the Richmond Rent Board require approval.

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 checked="" type="checkbox"/> Other: <u>CONSENT CALENDAR</u> |
| <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 minutes of the September 19, 2018 Regular Meeting of the Richmond Rent Board – Rent Program (Cynthia Shaw 620-5552).

AGENDA ITEM NO:

G-1.

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RICHMOND, CALIFORNIA, September 19, 2018

The Regular Meeting of the Richmond Rent Board was called to order at 5:01 P.M.

PLEDGE TO THE FLAG

ROLL CALL

Present: Boardmembers Combs, Finlay, Maddock, and Chair Gray.

Absent: Vice Chair Gerould.

STATEMENT OF CONFLICT OF INTEREST

None.

AGENDA REVIEW

None.

DEPARTMENT UNIT PRESENTATION – PUBLIC INFORMATION UNIT

PUBLIC FORUM

Cordell Hindler invited the Rent Board to attend a community event that will be held during the months of September and October. He also expressed that there was an error in the August minutes shown on the website, and requested the name be corrected from Richmond Neighborhood Council to Point Richmond Neighborhood Council, and that the website be updated to reflect this correction. He also reported on the presentation by Executive Director, Nicolas Traylor at the Point Richmond Neighborhood Council. He also expressed concern about how Rent Program Workshop attendees ask questions during the presentation and how it would be a courtesy to others to hold questions until the end of the workshop and suggested that workshop attendees complete a comment card to submit questions to staff members with their questions or concerns.

Robin Lape, a resident of Heritage Park Apartments, expressed concern about a recent rent increase she received and that she is enrolled in the Section 8 program. She also expressed the feeling of not knowing what's next and questioning will management sell the property or will the residents be kicked out? She also mentioned that residents face several issues with Heritage Park management when it comes to taking care of the appliances and other issues that she didn't have time to mention. She mentioned her experience dealing with management to receive a refrigerator and how the process was lengthy and time consuming and feels that the issues with management are getting out of hand.

Mitchell Jamerson discussed the issue about his home being fraudulently foreclosed and how he discussed this issue with Executive Director, Nicolas Traylor and Rent Program staff for advice and resolution and no action was taken. He feels that Mr. Traylor lied to him saying that the Rent Program can assist him but refused to assist him because of his race and that Mr. Traylor had no interest in assisting him with the foreclosure issue.

Elsa Stevens, a resident of Heritage Park, expressed gratitude to Mr. Nicolas Traylor for negotiating a lower rent increase for residents this summer. She also mentioned how several residents moved out in fear of the 12% rent increase given this year. She mentioned that the residents held a meeting and that several residents mentioned the security issues on the property. She mentioned how several cars have been broken into, the issues with drug trafficking, some tenants allow guests to stay more than 2 weeks or a year. She also mentioned that residents have spoken to management about the problems on the property, but they are not addressing the problems. She also expressed concern about the conditions of the washers and dryers in the laundry area. She mentioned how many residents were not given an orange complaint form to submit to management. She also mentioned difficulties faced by tenants with a disability. She also mentioned that management talked about providing security cameras, but they were never installed. Finally, she expressed that a tenant with a disability was charged \$300 by management to move his furniture for renovations and wasn't given a receipt of payment.

Audrey Jenkins, a resident of Heritage Park Apartments expressed concerns about the unsanitary state of the washing machines. She shared a photo of the washing machine that had an item of clothing with feces on it. She mentioned that she has found feces in both the washing machine and the dryers, located in the A & B building of the property and feels that it is a health hazard to

residents. She also feels that this issue should be taken care of by a higher power other than a resident. She also mentioned hearing from residents of drug dealings in the building on the 1st and 3rd floors. She mentioned the high traffic of non-residents who come in and out of the building and that they pose a threat to the elderly residents. She also mentioned that she asked management for new blinds for her apartment, since they were 18 years old and was told that she had to pay \$156 to have them replaced.

RENT BOARD CONSENT CALENDAR

On motion of Chair Gray, seconded by Boardmember Maddock, the item(s) marked with an (*) were approved with Vice Chair Gerould absent and with the correction to the public comment made by Cordell Hindler, to change Richmond Neighborhood Council to Point Richmond Neighborhood Council, on the August 15, 2018, minutes.

*G-1. Approve the minutes of the August 15, 2018, Regular Meeting of the Richmond Rent Board.

*G-2. Receive letters from community members regarding the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, RMC 11.100.

*G-3. Receive the August 2018 Rent Program Monthly Report.

REGULATIONS

H-1. The matter to adopt amendments to Rent Board Regulation 503 (Notice Requirements) to: (1) reorganize the steps of withdrawing a rental property to reflect a more consistent process; (2) clarify the permissible use of authorized agents to file, serve, and record required documents; (3) remove the obligation that a Landlord record a “certificate” indicating that they have initiated actions to terminate tenancies of their rental properties; and (4) remove the obligation that Landlords provide Tenants with stamped postcards, whereby a Tenant may indicate that they are entitled to relocation benefits was presented by Executive Director, Nicolas Traylor. The presentation included a statement of the issue, Ellis Regulation background information, staff’s proposal addressing Landlords’ various concerns, step-by-step reorganization of the withdrawal process, clarification that landlords are permitted to use designated agents to satisfy most of Regulation 503 requirements, removing duplicative steps, and the

recommended action. Discussion ensued. The following individual gave comments: Olga Eaglin. A motion by Chair Gray, seconded by Boardmember Combs, to adopt amendments to Rent Board Regulation 503 (Notice Requirements) to (1) reorganize the steps of withdrawing a rental property to reflect a more consistent process; (2) clarify the permissible use of authorized agents to file, serve, and record required documents; (3) remove the obligation that a Landlord record a “certificate” indicating that they have initiated actions to terminate tenancies of their rental properties; and (4) remove the obligation that Landlords provide Tenants with stamped postcards, whereby a Tenant may indicate that they are entitled to relocation benefits, passed by the following vote: **Ayes:** Boardmembers Combs, Finlay, Maddock, and Chair Gray. **Noes:** None. **Abstentions:** None. **Absent:** Vice Chair Gerould.

H-2. The matter to adopt Regulation 911.5 (Determining the Lawful Rent in Master Tenant – Subtenant Occupancies), prohibiting Master Tenants from charging subtenants more Rent than that which is actually and lawfully due and payable to the Landlord of the Controlled Rental Unit, and permit subtenants to petition the Rent Board for an adjustment in Rent and/or exercise rights and obligations pursuant to Regulation 911 (Overcharges and Other Violations), was presented by Executive Director, Nicolas Traylor. The presentation included a statement of the issue, the background, a summary of Regulation 911.5, and the recommended action. Discussion ensued. There were no public comments on this item. A motion by Boardmember Maddock, seconded by Boardmember Finlay, to adopt Regulation 911.5 (Determining the Lawful Rent in Master Tenant – Subtenant Occupancies), prohibiting Master Tenants from charging subtenants more Rent than that which is actually and lawfully due and payable to the Landlord of the Controlled Rental Unit, and permit subtenants to petition the Rent Board for an adjustment in Rent and/or exercise rights and obligations pursuant to Regulation 911 (Overcharges and Other Violations), passed by the following vote: **Ayes:** Boardmembers Combs, Finlay, Maddock, and Chair Gray. **Noes:** None. **Abstentions:** None. **Absent:** Vice Chair Gerould.

H-3. The matter to adopt amendments to Regulation 402 (Required Rent Registration), Regulation 405 (Enrollment with the Richmond Rent Program) and Regulation 406 (Failure of a Landlord to Enroll or File) to clarify the following requirements: (1) all rental properties containing at least one Rental Unit, as defined in Section 11.100.030(m) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, must be enrolled

with the Rent Program; (2) all tenancies in Controlled Rental Units, as defined in Section 11.100.030(d) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, must be registered with the Rent Program; and (3) the failure to enroll a rental property and/or register a tenancy in a Controlled Rental Unit may be asserted as an affirmative defense to an unlawful detainer (eviction) lawsuit, was presented by Deputy Director, Paige Roosa. The presentation included a statement of the issue, the background and purpose, information captured in enrollment and tenancy registration forms, proposed applicability of enrollment and tenancy registration, and the recommended action. Discussion ensued. There were no public comments on this item. A motion by Chair Gray, seconded by Boardmember Combs, to adopt amendments to Regulation 402 (Required Rent Registration), Regulation 405 (Enrollment with the Richmond Rent Program) and Regulation 406 (Failure of a Landlord to Enroll or File) to clarify the following requirements: (1) all rental properties containing at least one Rental Unit, as defined in Section 11.100.030(m) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, must be enrolled with the Rent Program; (2) all tenancies in Controlled Rental Units, as defined in Section 11.100.030(d) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, must be registered with the Rent Program; and (3) the failure to enroll a rental property and/or register a tenancy in a Controlled Rental Unit may be asserted as an affirmative defense to an unlawful detainer (eviction) lawsuit, passed by the following vote: **Ayes:** Boardmembers Combs, Finlay, Maddock, and Chair Gray. **Noes:** None. **Abstentions:** None. **Absent:** Vice Chair Gerould.

H-4. The matter to adopt an amendment to Regulation 603(A), modifying the requirement that Landlords file notices of rent increase with the Rent Board within two business days to require that Landlords file notices of rent increase with the Rent Board within 10 business days was presented by Executive Director, Nicolas Traylor. The presentation included a statement of the issue, background information, and the recommended action. Discussion ensued. The following individual gave comments: James Burns. A motion by Chair Gray, seconded by Boardmember Maddock, to adopt an amendment to Regulation 603(A), modifying the requirement that Landlords file notices of rent increase with the Rent Board within two business days to require that Landlords file notices of rent increase with the Rent Board within 10 business days, passed by the following vote: **Ayes:** Boardmembers Combs, Finlay, Maddock, and Chair Gray. **Noes:** None. **Abstentions:** None. **Absent:** Vice Chair Gerould.

STUDY AND ACTION SESSION

I-1. The matter to receive a case study matrix and presentation from Rent Program staff members concerning Tenant Buyout Agreement policies and provide direction to staff was presented by Deputy Director, Paige Roosa. The presentation included a statement of the issue, the background and purpose, case study research, case study research that included common and unique elements of buyout agreements, next steps and the recommended action. Discussion ensued. There were no public comments on this item. A motion by Chair Gray, seconded by Boardmember Combs, to receive a case study matrix and presentation from Rent Program staff members concerning Tenant Buyout Agreement policies and direct staff to present three types of policy options to the Board in regards to buyouts; a stringent option, a moderate option and a non-stringent option, allowing the Board to study and provide further direction to staff, passed by the following vote: **Ayes:** Boardmembers Combs, Finlay, Maddock, and Chair Gray. **Noes:** None. **Abstentions:** None. **Absent:** Vice Chair Gerould.

REPORTS OF OFFICERS

Executive Director, Nicolas Traylor, gave a brief report on the success of the Handling Habitability Issues workshop, Landlord oriented, held on Saturday, September 15, 2018. He also gave a brief report on the Rent Control presentation he and Deputy Director Paige Roosa presented to The Point Richmond Neighborhood Council and that they received good feedback from attendees. He also mentioned that they will continue to give presentations on Rent Control to other Neighborhood Councils in the city and that the next presentation will be held at the Iron Triangle Neighborhood Council meeting.

Deputy Director, Paige Roosa reminded the Board of the upcoming Appeals Training scheduled for Saturday, September 22nd at 10:00 AM, to 12:00 PM, in the Richmond Room, located in City Hall and that it will be publicly noticed since all Boardmembers will be attending. Board Clerk, Cynthia Shaw also added that she will send reminders to Boardmembers on the logistics of the Appeals Training and that she will email the training literature to Chair Gray since he will be absent.

ADJOURNMENT

There being no further business, the meeting adjourned at
6:55 P.M.

Cynthia Shaw and Ramona Howell
Staff Clerks

(SEAL)

Approved:

David Gray, Chair

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: November 14, 2018

Final Decision Date Deadline: November 14, 2018

STATEMENT OF THE ISSUE: Members of the community have sent letters to the Rent Board and Rent Program staff members. Staff members recommend letters that do not pertain to a specific item on the Rent Board agenda be included as consent items for consideration by the Rent Board.

INDICATE APPROPRIATE BODY

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| <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

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| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Regulation | <input checked="" type="checkbox"/> Other: <u>CONSENT CALENDAR</u> |
| <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: RECEIVE letters from community members regarding the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, RMC 11.100 – Rent Program (Cynthia Shaw 620-5552).

AGENDA ITEM NO:

G-2.

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**THE FOLLOWING CONSTITUENT LETTERS
WERE RECEIVED BY RESIDENTS OF
HERITAGE PARK AT HILLTOP
APARTMENTS (3811 LAKESIDE DRIVE,
RICHMOND, CA 94806) FOLLOWING AN
EXTENDED POWER OUTAGE ON OCTOBER
27, 2018 AND OCTOBER 28, 2018**

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Debra Harkness
3801 Lakeside Drive A218
Richmond, VA 23136
707 450 6545

ITEM G-2

ATTACHMENT 1

Nov 1, 2018

I am a liver transplant recipient, a disabled senior and diabetic. I have to eat certain foods for my health and was unable to during the power outage Oct 27-28, 2018. I had to eat fast foods during the outage which will affect my liver health. All food in my refrigerator and freezer had to be discarded - thrown out due to bacteria and not safe to eat after so many hours of no electricity.

Moving about during the outage I was fearful of falling or stubbing my foot. There was no heat, no hot water, no elevator service, just darkness. I was in fear and cold, could not cook my food.

The mail lady could not get in to deliver mail the gate would not open, she had medicine for me that I missed for two days. On one computer my computer drive went out that is inoperable. I had a bad nightmare right after the outage.

Debra Harkness

To Whom it may concern - PGTB

I AM A 59 year old male Navy
Veteran who is Disabled to I

cannot go up and ^{down} stairs I live on
the second floor at 3801 Lakeside

Drive Apt. 211 in Richmond CA 94806

On the event of Oct of 2018

Control outage occurred from PGTB which

Took longer than they thought, which was

caused me pain and loss of items

which is listed on claim form

so please Reimburse for what
went bad your fault!!

Boil for me I need
to be Cook

constant AC and fans
No access to those
same on you!

Wroblewski

3801 Lakeside Drive Apt 211

Richmond CA 94806

925 942 2024

Lenny Wroblewski

11-1-18

#0106563922-3

ITEM G-2
ATTACHMENT 1

From: Beatrice Boyd and Frederick B. Boyd
3815 Lakeside Dr., F314 (same address) 3rd Floor
Richmond, CA. 94806

Subject: PGE Outages, Nov 20 - Nov. 28 2018
(Many Inconveniences): Both Disabled
Both Use Canes
or walkers

1. Dark Halls (Stayed in Apts.)
2. No one advised food being handed out
3. No way to prepare food in freezer.
4. No Hot Water
5. No Heat
6. Unable Charge Cell phones
7. " use Therapy Lamp for pain
8. No elevator service
9. Unable to use heating pads

Beatrice Boyd 11/1/2018

Frederick Boyd

510 487-4307

November 2, 2018
Verdia Williams

~~3801~~

3801 ~~Verdia Dr.~~
ATTACHMENT 1
apt. 15103

My name is Verdia Williams.

I went to go into the bathroom and when the lights went out, I fell into the Bathtub and couldn't get out.

I felt my way around the wall to get out of the tub. It was pitch black dark, I couldn't see and I was frightened and didn't know what to do, as I am a fragile 86 year old woman.

I finally worked my way to the bedroom and got into the bed to be safe.

Verdia L. Williams

ITEM G-2
ATTACHMENT 1

On Saturday, October 27

At about 4 am I got up to use the bathroom, but my lamp would not go on. I thought the bulb was burnt out and that I would replace it in the morning. I slowly and very carefully made my way to the bathroom, trying to flick the lights on as I went, but realized the electricity was off. I was terrified I would fall because I have had a lot of strokes and my sense of balance is pretty much gone. I managed to get my cell phone which was partially charged and use it for light. I made my way back to bed and got my flashlight out of my bedside table. I looked out the window and saw there were no lights on. I called PG&E. They said it would be fixed by 10:30 am, so I went back to bed, but my CPAP would not work so I did not sleep well.

After it was time for the Community Room to be open, I went there. I talked to people and waited for the mail, but there was no light in the mail room and she could not see to put the mail in the boxes. There was no management presence, which seemed strange and a little scary. There was not even a note on the bulletin board. An ambulance came for a man on the second floor. I knew a lot of people were trapped in their apartments with no way to get out, no way to cook, no way to call for help if they were hurt or ill. The elevators did not work. I am not physically able to climb all the stairs and walk all the halls to check on people. I felt so vulnerable and helpless and I felt we had been abandoned. It was extremely upsetting.

The electricity did not come on by 10:30, so I called PG&E again. They said it would be on by 4:30, but it wasn't. I knew my daughter and grandson were driving up from Los Angeles to stay with me so he could get a chemotherapy infusion at UCSF to treat his multiple sclerosis. When they got here they were hungry so I fed them nuts, granola and cookies.

As it got dark we lit candles and used our flashlights. The Red Cross gave us some glow lights which helped some, especially so we could see in the bathroom. The Red Cross said there were sandwiches in the Community Room, but when I got there, they were all gone. The Community Room seemed so sad, glum, chaotic and dark. It was eerie and upsetting. There was very little light given off by candles, glow lights and flash lights. People milled around or sat huddled around the lights. There was a PG&E truck and a fire truck parked on the street and a Red Cross truck in the parking lot. It seemed to me that management should at least be there to organize things and give us information and maybe a little encouragement.

I went home and tried to sleep, but without my CPAP machine I could not. At 1 am trucks came by and left a huge generator near my apartment and then the lights came back on.

If my family had not happened to be here with me and helping me, I would have had a much worse time. As it is, I am left feeling vulnerable and unsafe here. It was an extremely unsettling experience.

Susan Singh

3815 Lakeside Dr, ^{APT} E113

November 2, 2018 3815 Lakeside Dr, #F 312

ITEM G-2

ATTACHMENT 1

My name is: ELDA FONTENOT

ON Friday Night/Saturday Morning, October 27, 2018, all lights went out. I was in the living room watching television. I called PG&E and was told by a recorder that they were aware of the problem, that there was equipment damage underground. Estimated time for restoral was 6:00am, Saturday morning.

I am handicapped, immobile - I use a walker to get around. I didn't have a flashlight or candle, couldn't see and did my best to walk myself to my bedroom. I tried to go to sleep but couldn't. Finally I fell asleep and woke up about 9:00am and when I saw that the electricity was still out, I called PG&E again. This time the estimated time of restoral was noon. It didn't happen. So I basically stayed in the bed and slept off and on until around 8:00pm that night. I was hungry, couldn't cook, nothing I could grab to snack on and stuck in my apartment because I'm on the 3rd floor and cannot use the stairs because of my handicap (arthritis in my knees).

It was finally restored around 2 or 3am Sunday morning. This threw me completely off. Someone from Red Cross did bring me a 1/2 sandwich + coffee. I pray that I'm never inconvenienced like this again.

Elda Fontenot

Nov. 2, 2018

My name is Vada Mahan and I'm giving you a summary of what I experienced the night that the lights stayed off almost 34 hours.

I reside at 3801 Lakeside Dr. # B-205 Richmond, Calif. and this outage was one of a few which occurred within a month's time.

So, on Oct. 27, 2018 my main concern was for my food in my box and for people who could not have an exit from the building. I knew of a few of them.

Also I was concerned about those people who were scared to open the door when the Red Cross people knocked. I experienced a little fear this time because the outage lasted too long.

I experienced a little anger because people had not eaten in 24 hours and some people had to leave their homes, family members came ^{and} got them. I felt helpless because there was nothing that I could do.

These things ~~events~~ ^{serious} should not have to entertain.

Thank you,
Vada Baker

ITEM G-2
ATTACHMENT 1

10/30/18

To Vice Mayor Melvin Willis
And Rent Board,

My name is Bettye Allen
I'm a Resident at Heritage Park since
July 2000. On Oct 27th 2018 the PGE
was off for over 15 hours I live on
the 3rd floor alone I was afraid
It would have been nice if someone
had checked on me.

I'm glad that I did have some crackers
and can sausage to eat,
not a good feeling.

Sincerely
Bettye Allen

3811 Lakeside Dr. D305

ITEM G-2
ATTACHMENT 1

Oct. 31, 2018

Subject: Safety Concerns re Power Outage
at Heritage Park @ Hilltop - on 10-27/28/2018

Vice Mayor Melvin Willis:

During the 22+ hours during the power outage at Heritage Park, I experienced an unidentified black male come to my apt. claiming to be a Red Cross volunteer, no lighting or security in the back parking lot of property, and food spoilage in refrigerators.

I suffer from a medical condition which flared up during and after the Heritage Park power outage. It triggered uncontrollable crying, fear (chair under door and pillow), sleeplessness, and nightmares + nervousness.

Heritage Park has frequent one to three hour power outages. Even upon suggestion, an evacuation plan has not been implemented, the annual fire drills have ceased without safety measures put in place, Heritage Park will continue to be a hazardous place to live for seniors.

Thank you and your staff for showing interest and concern

Celestine Hooperhull, Resident
3501 HA Reside Dr., # B303, R 94806
(510) 232-1924 / cehhock@aol.com

**ITEM G-2
ATTACHMENT 1**

November 2, 2018

Marilyn Tims

3815 Lakeside Drive, #E110

Richmond, CA. 94806

510-943-8433

Marilyn1130@comcast.net

Attention: Vice Mayor, Melvin Willis, Executive Director, Nicholas Traylor, and the Rent Control Board Members.

This letter is in regards to addressing the disregard from the management team when the power outage occurred, dated October 27th, 2018 at 3815 Lakeside Drive, #E110, Richmond, California.

On October 27th, 2018 around 6:10am, I awoke to a power outage here at Heritage Park. I have a routine of getting up early, even earlier than 6am on most days. I went and got in my car to take my morning drive, and when I came to the gate, I realized that I could not get out. I

immediately, went back to the house, (at this time, I was fully awake), called PG& E, to find out

what could they do to open the gate. Let me add that I had to be at work by 8am. Moving

forward, I called PG& E, and shared my concerns with them, and was informed that there was

nothing they could do about opening the gate, and that the Property Manager was able to reset

the gate. From there I proceeded to call the Weekend Emergency number for Heritage Park and

left (2) two, messages, informing the management of the conversation with PG&E and that I was

told that management was able to come and reset or whatever they needed to do to open the gates

Continuation, Marilyn Tims

ITEM G-2 ATTACHMENT 1

for the residents to get out. Also, I reiterated kindly, that I had to go to work that morning. This call was made twice. There was no response and has not been responded to still as of this date.

Walking out into the hallways of the building I live in, was very frightening and pitch black. This was in the daytime, so you can imagine what it was like throughout the rest of day and on into the night.

Talking with the fire department, American Red Cross, and PG&E while they were here on sight was even more frustrating about the fact that they even placed calls to the management and received no response for several hours. PG& E stated they wanted to bring in generators to provide electricity for us. This was devastating for me. Even more so that the residents on the 2nd and 3rd floors were disconnected from all. Also, it was scary to know that we have residents here that were on oxygen tanks, medications, and etc. and was left unattended through this crisis until, the Fire Department and American Red Cross came on the scene.

The most flustering part is that there was no response from management and my thoughts and feelings is one of grave disrespect for my life as well as others, and very sad at the fact that there was a huge disregard for the human lives here. There could have been a mass of tragic accidents of people trying to make their way through the darkness and attempting to walk down the stairs from the 2nd and 3rd floors. This was a very traumatic experience for me, and I want to wrap it up with this. The behavior from management is totally unacceptable. This is a complex for seniors 55 & up, and this is not the type of treatment that we deserved.

I give 100+% to the action, care, and concern that the American Red Cross, Fire Department, EMT's, and PG&E demonstrated for all of us during this crisis. They all were at the top of their A list in assisting and caring for all the seniors here at Heritage Park Apartments.

**ITEM G-2
ATTACHMENT 1**

Your attention to this matter is very much so appreciated. Please, do not hesitate to contact me with the information provided up above.

The property manager's name is Corey Walker, and assistant manager's name is Rasheeda. Both live on site.

Very Concerned

Marilyn Tims

Date: October 31, 2018

To: Vice Mayor Melvin Willis and
Director of Pest Control Board

Subject: Black Out - Heritage Park at Hilltop

My name is John Ethel Overton, age 85 years old. I have lived at Heritage Park at Hilltop for 13 years. On October 28, 2018 at 2:30 A.M., the lights and electricity went out in all the buildings, so that meant no phone to make calls, no cooking for meals, (all appliances out), no hot water to bath and none of the elevators working, also no generators to reboot the electricity. This went on for 2 days. We were told many different times that everything would be turned on starting from 12:30 pm 3:30 p.m., 6:30 pm on. (It never happen) altogether the outage was for about 20 ~~hour~~ hours. I live on the 2nd floor and in order to get out, I had to go down and up 2 flights of stairs in the dark. Thank God my daughter lives around the corner and came to my rescue which she comes everyday to see about me anyway. I am on

Pg 2.

Red Cross brought sandwiches, water and juice and knocked on everyone's door to see who needed food to accommodate us. The Firemen did all they could also

Management could less care about us and Building owners could not be reached. What are the emergency numbers for ???

Things that need to be addressed:

- ① Maintenance - Takes too long to get things fixed.
- ② Management: Lazy & lie all the time.
- ③ We have to pay for everything that needs to be replaced such as:
Blinds, drip pans, light bulbs etc.
- ④ Apartments need painting and new Carpet.

* Now on 12/30/18 - Management sends out a notice (in our doors) about Emergencies & !!! Disasters after the fact!!! WOW!!!

Respectively
Johnnie Mae Overton
Apt. A202

November 2, 2018

Inet Williams

3815 Lakeside Dr #111

ITEM G-2
ATTACHMENT 1

My cellphone hadnt been used in 2 or 3 days and was dead at the time of the Blackout and of course I couldn't use my LAND LINE.

I cannot walk, I'm in a motorized wheel chair that I was unable to charge or move - I couldn't move and was stuck in the wheel chair. Had no assistance and couldn't call anybody.

I was stuck in this position until 7:30pm Saturday night when my daughter came because she couldn't contact me by phone.

Inet Williams

31 October, 2018

to: Vice Mayor Melvin Willis
and
Director of Rent Control Board.

My name is Audrey Jenkins and I live at Heritage Park at Hilltop. On 28 October 2018 at 2:30 AM the lights went out in my building. I called PG&E on my cell phone and asked what was the problem and when would it be fixed, they said they had not found what the problem was but she would call back and let me know what progress was being made. My phone died while waiting for her to call back so now its very dark and scary. I was kinda waiting for the management to knock on my door to see if I was OK, to see if I had a flash light or needed anything, but they never come, they had no interest in me. Later in the evening the Red Cross

Our apartment are all electric, ~~and I missed~~
my meal for the day I didn't eat anything
and Am 81 yrs. old and take lots of med's.

I wasn't aware of the Red Cross bringing food
and water because they didn't mention anything
about that when they came to my apartment

I begin to think about the very sick people
in my building and wondered if we had a
generator ^{because} the lights were out about 20 hrs.

I have asked the manager when in
a community meeting if they had any
evacuation plans to share with me in case
of an emergency and management said they
were working on a plan. But that was
months ago. so no plan.

I really would like to see some real changes
in the rental office because they are not
advocates for the nice people in our community

^{why} OTHER QUESTIONS THAT GOES IGNORED.

1. ELDERLY TENNANTS MUST PAY FOR VENETIAN BLINDS,
LIGHTS, DRIP PANS. (why)
2. ^{why} They don't PAINT
3. ^{why} MY CARPET WASN'T REMOVED AFTER 8 YRS

I have been here 18 yrs³ so no carpet.

ITEM G-2
ATTACHMENT 1

The last inspection, I showed management my patio door that had air bubbles between the glass and that has not been replaced.

I could go on but just wanted to let you how this place is runned.

Respectively
Audrey Jenkins
A106



HERITAGE PARK
AT HILLTOP

12/30/2018

Dear Heritage Park at Hilltop Residents:

Emergencies and disasters can strike quickly and without warning and can force you to evacuate your neighborhood or be confined to your home. What would you do if your basic services—water, gas, electricity or communications—were cut off ??????????????????

Heritage Park at Hilltop staff will be discussing this question and many others on learning how to protect yourself and cope with disaster by planning ahead at our Resident's meeting.

This meeting will be held on Friday November 2, 2018 at 4 pm to 5:30 pm. Come get involved and learn the 3 steps of preparedness.

The Three Steps to Preparedness

1. Get a Kit
2. Make a Plan
3. Be Informed

We will also discuss what an evaluation plan is, being a volunteer hall monitor and much more.

Come and join us on Friday November 2, 2018 from 4pm to 5:30pm

3811 Lakeside Drive • Richmond, California 94806
Telephone 510.262.9482 • Facsimile 510.262.9484

To Whom it May Concern
My Name is James Daniels
my wife's name is Maxine Daniels

On Sat morning 10-27-18 at
about 3:30 A.M. the electricity went
out. We called P.G. & E to report
this problem + we ~~was~~ were told
that there was a problem with
the power lines they were working
on. They gave us different times
that the power would be back
on but it didnt happen.

②

ITEM G-2

ATTACHMENT 1

We called the emergency phone no. that are given to us monthly but no one answered.

The gates to the parking area won't open if the power is off and Corey never came to open them. Some of the residents had to go to work so they forced the gate open.

The ass. manager left with her child + didn't come back until that afternoon. When I told her the power was suppose to be on at 3³⁰ she left again.

Corey or Rasheda never asked anyone if they needed ass. or anything.

That night it was pitched black you couldn't see anything. The fire dept. sent a truck with large lights and lit up the parking lot.

③

ITEM G-2
ATTACHMENT 1

The Red Cross came and knocked on doors to see if anyone needed ass. My wife and myself went down to the front parking lot and the fire captain was trying to get in touch with the manager & Maintenance Supervisor, no one would answer. I had Corey's cell no. ~~at~~ and gave it to them and Corey never answered his phone. I gave the fire cap. the maint. sup. cell no and he answered. The fire cap. told him that he needed someone to ~~unlock~~ the doors to the Electric Room and he sent Ali a maint. worker. Ali could find only one key, it was to the Electric Rm. in the A building. The captain said they might have to break in the ~~doors~~ because P.C. & E was bring generator so they could turn the power on so I took out my knife and ~~got~~ and forced the latches ~~off~~ open. at building F ← C, elect. Rm., + over

P. G. & E was able to install
the generator.

Thank you,

James Daniels

Maxine Daniels

**ITEM G-2
ATTACHMENT 1**

NOVEMBER 5, 2018

TO WHOM IT MAY CONERN:

I want to let you know that the entire Heritage Park complex was in the dark approximately on October 27-28, 2018, it was a terrible, terrifying experience. It was pitch black in the hallways, no emergency lights were on in the hallways. If you did^{it} have candles or a flashlight, you were in deep It was like being in the twilight zone; no hot water, not able to charge your cell phone, and not able to use land line telephone, it was horrible. Thanks be to God for sending the Red Cross, Fire, and Police Departments. Their presence made a difference, and made the residents feel safer. This was either the second or third black out^{with it} the 2 months. It would have been nice if management could have made it a point to check all buildings, to ensure there was no one stuck in their apartment, etc. A backup generator finally showed up in the wee hours of the night, although we had been in the dark for hours. The question I raise is why is there no backup generator at Heritage Park's disposal, so when there is a blackout, we are not left in the dark for hours.

Thank you,

Deborah Akins

October 30, 2018
Heritage Park
Dolores Ferrell
3811 Lakeside Dr #C204
Richmond, CA 94806

Melvin Willis
Nicholas Traylor

On Oct. 27, There was a power outage at Heritage Park, where I have lived for 19 years. For me it was a very traumatic experience. The power was off for approx. 22 hours. With no manager or assistant manager on the property, we had no one to turn to for consolation. I am on the 3rd floor the hall-way was pitch dark. Thank God I had a flash light to maneuver my way around, also, with my cane. It was scary. The Fire department, Red-cross provided light, food and water.

The power was finally restored around 1:30 AM on October 28th.

Thank you.

Sincerely
Dolores Ferrell

Heritage Park Hilltop

October 30, 2018

My wife and I moved in May of 2000. There were ups and downs, but nothing like we had 11/27th. Management was nonexistent during the power outage.

Wish we had words to convey the anxiety we felt knowing that there were tenets that depended on electric power for their breathing equipment.

When night came there was more anxious hours we prayed that people would make it up and down stairs and corridors safely in complete darkness we went brought flashlights the least something to help.

We happen upon the manager at Ihop around 8:-pm we asked him did he know the problems that was happen at Heritage Park he said there wasn't anything he could to help the people living there.

Might we bring to your attention by there being no management to answer the calls from people concern about the safety of their love ones during the black- out . Some had to leave their jobs to come check on their love ones.

One safety problem was the gates which manager said he had Donald open this is false, Donald was in Mexico on vacation.

This manager have problem being transparent one can't believe anything that comes out of his mouth.

Linda Hudson 11-04-18
Herman Hudson "

10/22/18

On Saturday, October 22, 2018
Heritage Park Senior's Complex experienced
a power outage. Due to the outage
I was not able to use my breathing
machine which I used on a daily
bases. Was confined to my apartment
due to not able to move around
because I use a power motor
Chair. I would like to be
reimbursed for the loss of
my frozen food that became
spoiled due to an outage.

Thank you
Mr. James Wade.

November 3, 2018

Due to the power outage at Heritage Park Seniors Complex on Saturday October 22, 2018. I am a diabetic and have limited mobility, due to the outage I was not able to use my power chair nor prepare food to eat. I would like for someone to reimburse me for the loss of my food that was stored in my refrigerator. If you have any question please contact me at (510) 275-3423.

Thank you

Inet Williams

ITEM G-2
ATTACHMENT 1

When the power went I was very uncomfortable
due to the fact I could not take a bath
or cook or heat my apt. nor did I have phone service
It was a very depressing time for me.

Elizabeth Anderson
Apt. A-107

ITEM G-2
ATTACHMENT 1

What effected Me

1. The Most Was Not Having a Generator to power my breathing machine
- 2 No Lights in the hall ways you could not see a thing.

Sheila Norflis
3811 Lakeside Dr
#D204
Richmond Ca 94806

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ITEM G-2 ATTACHMENT 2

From: Kandice [mailto:kandicedaniellec@gmail.com]
Sent: Sunday, November 04, 2018 10:19 AM
To: Rent Control
Subject: ATTN: Boardmembers

Hello!

I recently sent a complaint about tenants in my apartment complex and was suggested to forward my complaint to the Richmond Rent board.

Attached is my complaint as well as photo.



----- Forwarded message -----

From: **Kandice** <kandicedaniellec@gmail.com>
Date: Fri, Nov 2, 2018 at 5:50 PM
Subject: Formal Complaint Letter
To: Charles Stephenson <cesteph@aol.com>

Kandice Chandler
437 S 21st Street
Richmond, CA 94804

11/02/18

**ITEM G-2
ATTACHMENT 2**

Dear Mr. Stephenson,

I am writing to inform you of a possible health or sanitary violation.

Residents of 439 S 21st Street have not taken their trash or recycles out for pick up in about a month and have previously been talked to by resident Tyrone Bluford, a situation which did not go well.

I would not like to raise issue, but the trash has become cause for concern once again. Attached is a photo of the predicament.

I hope that this issue can be resolved peacefully.

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: November 14, 2018

Final Decision Date Deadline: November 14, 2018

STATEMENT OF THE ISSUE: The Monthly Activity Report is designed to provide members of the Rent Board and Richmond community with a summary of the Rent Program's activities for the month. With a now fully-staffed department, staff members find it timely to begin producing such reports on a monthly basis.

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 checked="" type="checkbox"/> Other: <u>CONSENT CALENDAR</u> | |
| <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: RECEIVE the September 2018 Rent Program Monthly Report - Rent Program (Paige Roosa 620-6537).

AGENDA ITEM NO:

G-3.

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MEMORANDUM

TO: Chair Gray and Members of the Rent Board
FROM: Paige Roosa, Deputy Director
DATE: November 14, 2018
SUBJECT: SEPTEMBER 2018 MONTHLY ACTIVITY REPORT

Introduction

The Monthly Activity Report is designed to provide members of the Rent Board and Richmond community with a summary of the Rent Program's activities for the month. With a now fully-staffed department, staff members find it timely to begin producing such reports on a monthly basis. It is anticipated that the format, content, and detail of this report will evolve over time. Feedback concerning this report may be submitted via email to rent@ci.richmond.ca.us or by calling (510) 234-RENT (7368).

September Department Highlights

Staff members remained focused on the launch of Property Enrollment and Rent Registration. Staff members continued to work diligently during the month of September in preparation for the launch of the comprehensive Property Enrollment and Tenancy Registration project in October. City of Richmond IT Department staff members were instrumental in the development of the online billing, Property Enrollment, and Tenancy Registration systems. The collection of this information will support the second billing cycle of the Rental Housing Fee, which is anticipated to commence in October concurrent with implementation of the Enrollment and Tenancy Registration processes.

The Compliance Officer began working with the Rent Program team on key projects. In mid-September, Philip Verma joined the Rent Program team as a full-time, term-position Rent Program Services Analyst. Philip's work plan includes several compliance-related projects to improve collection of the Rental Housing Fee, identify noncompliant Rental Units, and collaborate with the Department's Staff Attorney to compel compliance. In his first few weeks, Philip gained familiarity with the Rent Program's case management and billing platforms, completed an analysis of outstanding Rental Housing Fee revenue, and conducted targeted outreach to large property owners with respect to the 2018-19 Rental Housing Fee.

The Hearings Unit continued to administer the Rent Adjustment Petition process, and the Department's Hearing Examiner issued the first formal decision. Since the Hearings Unit began hearing petitions during the month of August, seven hearings have been held. Five of these cases were resolved through mediation during a preliminary settlement conference, and two have required a formal decision by the Hearing Examiner. To date, no appeals of a Rent Adjustment decision have been filed.

Members of the Rent Board attended an appeals training hosted by Rent Program staff.

On September 22, 2018, Rent Program staff members hosted an appeals training for Boardmembers in anticipation of future appeals to Rent Adjustment Petition decisions. Presentations were led by the Rent Program Staff Attorney and Hearing Examiner. More information about the Rent Board's Rent Adjustment Petition process may be found in Chapter 8 of the Board's Regulations.



The Rent Program tabled at La Feria de Septiembre, an event hosted by the RYSE Youth Center celebrating Chicana and Latinx Heritage Month.



On September 14, 2018, Rent Program staff members participated in a resource fair at RYSE Youth Center's *La Feria de Septiembre* event. The Rent Program was joined by the Community Clinic Consortium, Urban Tilt, Richmond Promise, Healthy Richmond, and Communities for a Better Environment. Staff members provided information to community members about the Rent Program, Rent Ordinance, and related policies. The Rent Program looks forward to participating at future resource fairs hosted by the RYSE Youth Center and other community

organizations as a method of continuing to engage community members and share pertinent information to Richmond tenants and landlords.

The September Habitability Issues Community Workshop informed Tenants and Landlords of how to address habitability issues in their Rental Units.

The September Community Workshop concerning Habitability Issues (Landlord-Oriented) was attended by 31 Richmond Tenants and Landlords. Staff members provided a presentation on a variety of relevant topics, including local and State laws, and were able to respond to a number of questions from participants. Presentation materials are accessible at

<http://www.ci.richmond.ca.us/3541/Workshops>.



Summary of Activities

I. Counseling and Community Engagement

<i>Monthly Activity</i>	<i>Occurrences</i>	<i>Prior Month Occurrences</i>	<i>% Change from Prior Month</i>
Phone Call Consultations	432	552	-21.7%
Walk-In Consultations (includes appointments)	229	315	-27.3%
Email Responses	207	177	16.9%
Total Consultations	868	1,044	-16.8%
Courtesy Compliance Letters Mailed	3	18	-83.3%
Warning Letters Mailed	0	3	-100%
Direct Referrals to Legal Service Providers	14	14	0%
Declarations of Exemption Processed	31	150	-79.3%
Request for Mediations Filed	5	6	-16.7%
Informal Mediations Held	4	4	0%
Formal Mediations Held	1	2	-50.0%
Community Workshop Attendees (09/15/18 Handling Habitability Issues)	31	19	63.2%

II. FY 2016-17 & FY 2017-18 Fee Collection

<i>Monthly Activity</i>	<i>Total</i>	<i>Prior Month Total</i>	<i>% Change from Prior Month</i>
Revenue Collected September 1, 2018 - September 31, 2018	\$49,762.50	\$87,687.78	-43.3%
Total Revenue Collected through September 30, 2018	\$2,076,878.89 (74.1% of total)	\$2,027,116.39 (72.5% of total)	N/A
Invoices Generated ¹	12,657	110	11,406.4%

III. Filing of Notices

<i>Type of Form</i>	<i>Monthly Submissions/ Notices Filed</i>	<i>Prior Month Total</i>	<i>% Change from Prior Month</i>
Enrollment	25	58	-56.9%
Proof of Excess Rent Refund	1	7	-85.7%
Change in Terms of Tenancy Notices Filed	6	8	-25%
Rent Increase Notices Filed	100	651	-84.6%
Termination Notices Filed	459	406	13.1%
<i>Applicable Just Cause for Eviction - Nonpayment of Rent</i>	465	398	16.8%
<i>Applicable Just Cause for Eviction - Breach of Lease</i>	6	6	0%
<i>Applicable Just Cause for Eviction -</i>	1	1	0%

¹ This figure represents an aggregate total including invoices for Fiscal Year 2016-17, 2017-18, and 2018-19.

ITEM G-3

<i>Nuisance</i>			
<i>Applicable Just Cause for Eviction – Withdrawal from the Rental Market</i>	0	0	N/A
<i>Applicable Just Cause for Eviction – Owner Move-In</i>	0	0	N/A
<i>Applicable Just Cause for Eviction – Temporary Termination to Undertake Substantial Repairs</i>	0	1	-100%
Agent Authorization	5	19	-73.7%
Petition for Maximum Allowable Rent Increase or Decrease	6	4	50.0%
Proof of Permanent Relocation Payment Form	1	0	N/A
Proof of Temporary Relocation Payment Form	0	0	N/A
Unpaid Permanent Relocation Complaint	0	0	N/A
Unpaid Temporary Relocation Complaint	0	0	N/A
Total Form Submissions/Notices Filed	603	1,153	-47.7%

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: November 14, 2018

Final Decision Date Deadline: November 14, 2018

STATEMENT OF THE ISSUE: The Monthly Activity Report is designed to provide members of the Rent Board and Richmond community with a summary of the Rent Program's activities for the month. With a now fully-staffed department, staff members find it timely to begin producing such reports on a monthly basis.

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

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|---|--|--|--|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | | |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Regulation | <input checked="" type="checkbox"/> Other: <u>CONSENT CALENDAR</u> | |
| <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: RECEIVE the October 2018 Rent Program Monthly Report - Rent Program (Paige Roosa 620-6537).

AGENDA ITEM NO:

G-4.

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MEMORANDUM

TO: Chair Gray and Members of the Rent Board

FROM: Paige Roosa, Deputy Director

DATE: November 14, 2018

SUBJECT: OCTOBER 2018 MONTHLY ACTIVITY REPORT

Introduction

The Monthly Activity Report is designed to provide members of the Rent Board and Richmond community with a summary of the Rent Program's activities for the month. With a now fully-staffed department, staff members find it timely to begin producing such reports on a monthly basis. It is anticipated that the format, content, and detail of this report will evolve over time. Feedback concerning this report may be submitted via email to rent@ci.richmond.ca.us or by calling (510) 234-RENT (7368).

October Department Highlights

Registration and Billing Unit staff members mailed the first batch of Property Enrollment and Tenancy Registration form packets, and collected over \$450,000 in FY 2018-19 Rental Housing Fee revenue.

Staff members continued to work diligently during the month of October to launch the comprehensive Property Enrollment and Tenancy Registration project. City of Richmond IT Department staff members continue to be instrumental in the development of the online billing, Property Enrollment, and Tenancy Registration systems. Compliance Officer Philip Verma worked to refine the database to ensure accuracy of invoices mailed to large property owners, assisting tremendously in the collection of over \$450,000 in FY 2018-19 Rental Housing Fee revenue this month.

Rent Program staff members collaborated with other City departments to host the first 440 Civic Center Plaza Second Floor Halloween Potluck.

Since January 2017, the presence of the Rent Program office on the second floor of 440 Civic Center Plaza has continued to grow. On Wednesday, October 31, staff from various City departments, including the Rent Program, Fire Department, Congressman DeSaulnier's Office, Arts and Culture, and Richmond Promise gathered to celebrate Halloween and appreciate the shared space on the second floor. Rent Program staff members celebrated the holiday by dressing as a team of Marvel superheroes.



The October Community Workshop, titled “How to Handle Difficult Tenant Situations,” provided information and guidance to Landlords regarding how to address conflicts.

The October Community Workshop was attended by 49 community members, who gained insights and tips about how to address difficult issues that may arise between Tenants and Landlords. Executive Director Nicolas Traylor conducted a presentation on the Rent Ordinance and its requirements, tips for handling difficult Tenant situations, and three possible routes for resolution of such issues. Following the presentation, community members were provided an opportunity to ask questions of staff. Presentation materials are accessible at <http://www.ci.richmond.ca.us/3541/Workshops>.

Rent Program Services Analysts, Hearing Examiner, and Deputy Director attended mediation training to support the Rent Program’s informal and formal mediation services.

During the weeks of October 15 and October 22, the Rent Program Services Analysts, Hearing Examiner, and Deputy Director attended a 40-hour Mediation Training conducted by Steve Rosenberg, a state and national leader in the field of mediation. Since completion of the training, staff members have met regularly to continue development of the Rent Program’s in-house mediation services. In some cases, mediation may provide an opportunity for Landlords and Tenants to resolve issues and negotiate agreements outside of a formal petition process. The benefits of mediation and dispute resolution are myriad, including supporting the preservation of Landlord/Property Manager and Tenant relationships and the potential for prompter resolution, as compared to the petition process.

Summary of Activities

I. Department Unit Activities

FRONT OFFICE UNIT	<i>Occurrences</i>
Persons Assisted By Front Office Unit (without referral to an Analyst)	68
Declarations of Exemption Processed	24
Enrollment Forms Entered into Database	15
Invoices Generated	422
Termination of Tenancy Informational Letters mailed to Property Owners and Tenants in receipt of a Notice of Termination of Tenancy filed with the Rent Program	599
Hard Copy Termination Notices Processed	3
Hard Copy Rent Increase Notices Processed	22

PUBLIC INFORMATION UNIT	<i>Occurrences</i>
Total Consultations Provided by a Rent Program Services Analyst	427
Calls Received (Phone Counseling Sessions)	214
Walk-Ins (Includes Appointments)	124
Emails Received	89
Total Consultations Provided in a Language other than English	21
Consultations Provided in Spanish	21

ITEM G-4

PUBLIC INFORMATION UNIT (continued)	<i>Occurrences</i>
Legal Service Referral Forms Completed	14
Informal Mediations Conducted	9
Formal Mediations Held	0
Courtesy Compliance Letters Mailed	6
Invoices Generated	34
Community Workshop Attendees (10/20/18 How to Handle Difficult Tenant Situations)	49
Tenants Assisted	58
Landlords Assisted	60
Property Managers Assisted	5

BILLING AND REGISTRATION UNIT/COMPLIANCE UNIT	<i>Occurrences</i>
Enrollment/Tenancy Registration Packets Mailed	83
Enrollment Forms Processed	88
Tenancy Registration Forms Processed	10
Invoices Generated	1,445
Payments/Checks Processed	28
Property Information Updated	189
Payments Returned	1
Refunds Issued	0
Phone Call Consultations	14
Walk-In Consultations	10
Email Consultations	8
Total Revenue Collected Between 10/01/18 - 10/31/18	\$452,806.50
FY 17/18 Revenue Collected between 10/01/18 - 10/31/18	\$14,137.50
Total FY 17/18 Revenue Collected	\$2,110,703
Monthly FY 18/19 Revenue Collected between 10/01/18 - 10/31/18	\$438,669
Total FY 18/19 Revenue Collected	\$473,453
Compliance Actions (Reviewing records, exemption status, owner addresses, etc.)	168

LEGAL UNIT	<i>Occurrences</i>
Public Records Act Requests Received	2
Ellis Termination Notices Reviewed	2

ITEM G-4

HEARINGS UNIT	<i>Occurrences</i>
Total Landlord Petitions Received	2
MNOI Petitions Received	1
Landlord Multiple Grounds Petitions Received	1
Total Tenant Petitions Received	4
Decrease in Space or Services, Deterioration, Habitability Petitions Received	1
Tenant Petition Based on Multiple Grounds	2
Tenant Petition for Failure to Pay Relocation Payment Petitions Received	1
Total Other Petitions/Submissions Received	6
Request for a Continuance of the Hearing Process	4
Subpoena(s)	2
Total Number of Cases Closed	5
Decisions Ordered	3
Cases Settled	1
Petitions Withdrawn	1
Total Number of Calls/Walk-ins/Emails	68
Calls/Placed Received (Regarding Hearings and Petitions)	13
Walk-Ins (Regarding Hearings and Petitions)	11
Emails Sent/Received (Regarding Hearings and Petitions)	44

II. Notices Filed with the Rent Program

<i>Type of Form</i>	<i>Monthly Submissions/ Notices Filed</i>	<i>Prior Month Total</i>	<i>% Change from Prior Month</i>
Proof of Excess Rent Refund	7	1	600.0%
Change in Terms of Tenancy Notices Filed	7	6	16.7%
Rent Increase Notices Filed	184	100	84.0%
Termination Notices Filed	299	459	-34.9%
<i>Applicable Just Cause for Eviction – Nonpayment of Rent</i>	292	465	-37.2%
<i>Applicable Just Cause for Eviction – Breach of Lease</i>	6	6	0
<i>Applicable Just Cause for Eviction – Nuisance</i>	1	1	0
Agent Authorization	4	5	-20%
Proof of Permanent Relocation Payment Form	1	1	0
Total Form Submissions/Notices Filed	502	603	-16.7%

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: November 14, 2018

Final Decision Date Deadline: November 14, 2018

STATEMENT OF THE ISSUE: On September 19, 2018, the Rent Board received a presentation and case study matrix regarding Tenant Buyout Agreements. Subsequently, the Rent Board directed staff to present three policy options, varying in degrees of oversight at the next Board meeting. Staff members have prepared policy options for the Board's consideration and are seeking further direction.

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 checked="" type="checkbox"/> Other: <u>STUDY AND ACTION SESSION</u> |
| <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: RECEIVE Tenant Buyout Agreement Policy Options and DIRECT staff to (1) present the Rent Board's selected policy option during a study session at a meeting of the City of Richmond City Council and (2) work with City staff to develop a Buyout Agreement Ordinance – Rent Program (Nicolas Traylor/Paige Roosa 620-6564).

AGENDA ITEM NO:

H-1.

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AGENDA REPORT

DATE: November 14, 2018

TO: Chair Gray and Members of the Rent Board

FROM: Nicolas Traylor, Executive Director
Paige Roosa, Deputy Director
Magaly Chavez, Rent Program Services Analyst

SUBJECT: TENANT BUYOUT AGREEMENT POLICY

STATEMENT OF THE ISSUE:

On September 19, 2018, the Rent Board received a presentation and case study matrix regarding Tenant Buyout Agreements. Subsequently, the Rent Board directed staff to present three policy options, varying in degrees of oversight at the next Board meeting. Staff members have prepared policy options for the Board's consideration and are seeking further direction.

RECOMMENDED ACTION:

RECEIVE Tenant Buyout Agreement Policy Options and DIRECT staff to (1) present the Rent Board's selected policy option during a study session at a meeting of the City of Richmond City Council and (2) work with City staff to develop a Buyout Agreement Ordinance – Rent Program (Nicolas Traylor/Paige Roosa 620-6564).

FISCAL IMPACT:

While there is no fiscal impact related to this item at this time, the adoption of a Buyout Agreement Policy is anticipated to require additional staff time, depending on the selected policy's administrative requirements.

DISCUSSION:

Background

On September 19, 2018, the Rent Board received a presentation and case study matrix regarding Tenant Buyout Agreements. Subsequently, the Rent Board directed staff to present three policy options, varying in degrees of oversight at the next Board meeting. Staff members have prepared policy options for the Board's consideration and are seeking further direction.

Purpose of Buyout Agreement Policies

Buyout Agreements, also known as “Cash for Keys” Agreements, may be offered by a Landlord to a Tenant to encourage the Tenant to voluntarily vacate the Rental Unit in lieu of the Landlord terminating the tenancy for Just Cause. While a seemingly large sum of money may be enticing to a Tenant, even Buyout Agreements worth tens of thousands of dollars can be recouped by a Landlord retaining ownership and re-renting the unit at market rate or selling the unit vacant. Unlike no-fault evictions, Buyout Agreements in Richmond are currently unregulated, and can enable Landlords to circumvent many of the restrictions that apply when a Landlord executes a no-fault eviction. Furthermore, given the potential for profit, anecdotal evidence from other Bay Area cities suggest that Landlords may employ high-pressure tactics and intimidation to induce Tenants to sign the agreements, including threatening the Tenant with eviction if they do not accept the terms of the Buyout Agreement.

A Buyout Agreement policy could establish certain requirements of Buyout Agreements, such as the requirement to provide specific disclosures to Tenants prior to offering a Buyout, establish minimum monetary amounts that may be offered in exchange for the Tenant’s voluntary vacancy, and may require Landlords to file Buyout Agreements with the Rent Board for monitoring and data collection purposes.

Rent Board Direction

At their meeting on September 19, 2018, Board members directed Rent Program staff to develop policy options that provide a varying degree of regulatory oversight of Buyout interactions, ranging from low-level oversight to high-level oversight.

Based on the direction of the Rent Board, Rent Program staff used the previously presented Case Study Matrix, contained in Attachment 2 and conducted additional research to further narrow down eleven integral factors that determine the degree of regulation for the presented policy options. The presented policy options are derived from the Criteria Matrix of Attachment 1 and 2. Of the eleven identified key factors, Rent Program staff identified four components that should be incorporated into any policy aimed at regulating Buyout Agreements. These components are as follows:

- The Buyout Agreement must be written in the Tenant’s primary language
- The Buyout Agreement policy will cover all properties under “Just Cause”
- The Buyout Agreement policy must contain Anti-Harassment language
- The Tenant will have the right to rescind at any moment, without penalty, if the Buyout Agreement does not comply with the requirements of the regulation.

The remaining six components are more discretionary and impact the degree of regulation. Those individual components selected by the Rent Board to include in a proposed Buyout Agreement Policy will dictate the level of oversight.

ITEM H-1

At this meeting, staff members are seeking specific direction from the Board on the following seven policy questions:

1. Should the Landlord be required to give a Notice of Buyout Rights to the Tenant?
2. Should the Landlord be required to submit a copy of Notice of Buyout Rights to the Rent Board?
3. How many days should the Tenant be given to rescind once the Buyout Agreement is executed?
4. Should there be a minimum payout for a Buyout Agreement?
5. Should the Landlord be required to submit a Buyout Agreement with the Rent Board and if so when?
6. What is the degree of Administrative Enforcement and Duties the Rent Board wishes to adopt?
7. Should there be penalties for violating the Buyout Agreement Policy?

For the Rent Board's consideration, staff members have compiled three policy options based on the aforementioned 11 integral components. These policy options range in degree from low-level oversight to high-level oversight. Please note, these policy options are not static; the Rent Board may mix-and-match different components to create its own policy that is tailored to the needs of Richmond Residents.

Staff Members' Presented Policy Options

Below are the policy options for the Rent Board's consideration:

Option 1: Low Level of Oversight

The main components of Option are as follows:

1. The Landlord must give a Notice of Buyout Rights to the Tenant before the Buyout negotiation begins.
2. A copy of the Notice of Buyout Rights given to the Tenant must be maintained by the Landlord for five years (and is not required to be filed with the Rent Program).
3. The Tenant has 25 days to rescind an executed Buyout Agreement.
4. This policy option has no minimum payout requirement for a Buyout Agreement.
5. The Landlord must file a copy of an executed Buyout Agreement with the Rent Program within 60 days.
6. The Rent Program will maintain a copy of all executed Buyout Agreements.
7. This option does not include penalties for Landlords that fail to conform with the Buyout Agreement Ordinance.

Option 2: Moderate Level of Oversight

1. Prior to engaging in Buyout negotiations, the Landlord must give a Notice of Buyout Rights to the Tenant.
2. If the parties execute a Buyout Agreement, the Landlord must file a copy of the Notice of Buyout Rights with the Rent Program.
3. The Tenant has 30 days to rescind an executed Buyout Agreement.
4. All Buyout Agreements must offer what the Tenant would have received as a Permanent Relocation Payment due to termination of tenancy for Owner Move In, for a two plus bedroom unit as a Qualified Tenant Household.
5. The Landlord must file a copy of an executed Buyout Agreement with the Rent Program within 60 days.
6. The Rent Program will maintain a copy of all executed Buyout Agreements and Notice of Buyout Rights.
7. The Tenant has the right to bring a civil action against the Landlord for actual damages and statutory damages not to exceed \$500 dollars per violation.

Option 3: High Level of Oversight

1. Prior to engaging in Buyout negotiations, the Landlord must give a Notice of Buyout Rights to the Tenant.
2. The Landlord must file a copy of the Notice of Buyout Rights with the Rent Program prior to engaging in Buyout negotiations.
3. The Tenant has 45 days to rescind an executed Buyout Agreement.
4. All Buyout Agreements must offer what the Tenant would have received as a Permanent Relocation Payment due to termination of tenancy for Withdrawal from the Rental Market, for a two plus bedroom unit as a Qualified Tenant Household.
5. The Landlord must file a copy of an executed Buyout Agreement with the Rent Program within 60 days.
6. The Rent Program will (a) maintain a copy of all submitted Buyout Agreements and copies of Notice of Buyout Rights; (b) contact the Tenant identified on a submitted copy of a Notice of Buyout Rights; and (c) maintain a database that may be public, showing data on the compensation amount and neighborhood of Buyout Agreements (consistent with State law).

ITEM H-1

7. The Tenant has the right to bring a civil action against the Landlord for actual damages and statutory damages not to exceed \$ 1,000 dollars per violation.

Anticipated Timeline and Next Steps:

- (1) Staff will present the Rent Board's selected policy option during a study session at a meeting of the Richmond City Council in December 2018 or January 2019.
- (2) Following the study session, it is anticipated Rent Program staff will work with City staff to develop a Buyout Agreement Ordinance.
- (3) Staff will present the Buyout Agreement Ordinance to the City Council for potential adoption.

DOCUMENTS ATTACHED:

Attachment 1 – Tenant Buyout Agreement Case Study Research and Criteria

Attachment 2 - Tenant Buyout Agreement Case Study Matrix

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Tenant “Buyout Agreement” Case Study Research And Criteria:

Jurisdiction	Type of Law	Criteria 1: Is there a requirement for the Landlord to give a Notice of Buyout Rights to the Tenant?	Criteria 2: Is there a requirement for the Landlord to submit a copy of Notice of Buyout Rights to the Rent Board?	Criteria 3: How many days does the Tenant have to rescind once the Buyout Agreement is executed?	Criteria 4: Is there a minimum payout for a Buyout Agreement?	Criteria 5: Is there a requirement for the Landlord to submit a Buyout Agreement with the Rent Board?	Criteria 6: Degree of Administrative Enforcement and Duties
BERKELEY	Ordinance adopted by the City Council (Municipal Code Section 13.79.050)	Yes, prior to making a Buyout offer	No, but the Landlord must keep a personal copy for 5 years	30 days	No minimum payout	Yes, the Landlord must submit the Agreement between the 31st to the 60th day the Buyout Agreement was executed	<ol style="list-style-type: none"> 1. The Rent Board retains a copy of all executed Buyout Agreements, maintained by legal staff in a file separate from any other file 2. Information about the amount of Buyout Agreements and neighborhood is made publicly available. The Board collects data from the filed Buyout Agreements, which includes the compensation paid and the neighborhood of the affected unit-- and shall make that data public
SANTA MONICA	Ordinance Adopted by the Santa Monica City Council (Municipal Code Section 4.56.050(b)) and Rent Board Regulation 9011	Yes, prior to making a Buyout offer	No, but the Landlord must keep a personal copy for 5 years	45 days	No minimum payout	Yes, the Landlord must submit the Agreement between the 31st to the 60th day the Buyout Agreement was executed	<ol style="list-style-type: none"> 1. The Rent Board retains a copy of all executed Buyout Agreements, maintained by legal staff in a file separate from any other file 2. Information about the amount of Buyout Agreements and neighborhood is made publicly available. The Board collects data from the filed Buyout Agreements, which includes the compensation paid and the neighborhood of the affected unit-- and shall make that data public
LOS ANGELES	Ordinance adopted by the Los Angeles City Council (Municipal Code Section 151.31)	Yes, prior to making a Buyout offer	Yes, the Landlord must submit a copy within 60 days of the Buyout Agreement being executed	30 days	No minimum payout	Yes, the Landlord must submit the Agreement within 60 days of the Buyout Agreement being executed	<ol style="list-style-type: none"> 1. A copy of the Buyout Agreement and copy of Notice of Buyout Rights is retained by housing and Community Investment Department
OAKLAND	Ordinance adopted by the Oakland City Council (Municipal Code Section 8.22.700)	Yes, prior to making a Buyout offer	No, but the Landlord must keep a personal copy for 5 years and the Landlord is required to submit specific information to the Rent Adjustment Program prior to entering into a Buyout negotiation	25 days, unless both parties agree to no less than 15 days	No less than equal to local, state, or federal law	Yes, the Landlord must submit the Agreement between the 25th to the 45th day the Buyout Agreement was executed	<ol style="list-style-type: none"> 1. A copy of the Buyout Agreement and copy of Notice of Buyout Rights is retained 2. City may make information collected from the Landlord publicly accessible
SAN FRANCISCO	Ordinance adopted by the Board of Supervisors (Section 37.9E of the Administrative Code)	Yes, prior to making a Buyout offer	Yes, the Landlord must submit a copy prior to entering into Buyout negotiations	45 days	No minimum payout	Yes, the Landlord must submit the Agreement between the 46th day and 59th day the Buyout Agreement was executed	<ol style="list-style-type: none"> 1. A copy of the Buyout Agreement and a copy of Notice of Buyout Rights is retained 2. The Rent Board must maintain a public searchable database of all Buyout Agreements 3. The Rent Board must report annually to the Board of Supervisors on the implementation of the Ordinance.
SAN JOSÉ	Ordinance adopted by the San José City Council (Part 7 of Chapter 17.23 of the Municipal Code) and Chapter 14 of the Regulations adopted by the City Council.	Yes, prior to making a Buyout offer.	Yes, the Landlord must submit a copy within 30 days of the Buyout Agreement being executed	45 days	No minimum payout	Yes, the Landlord must submit the Agreement within 30 days of the Buyout Agreement being executed	<ol style="list-style-type: none"> 1. A copy of the Buyout Agreement and a copy of Notice of Buyout Rights is retained

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**Draft Tenant “Buyout Agreement”¹ Case Study Research
Actively Enforced Rent Programs:**

Jurisdiction	Type of Law	Applicability	Summary of Major Provisions of Tenant Buyout Law	Degree of Administrative Duties Required by Law (Relative to other case study jurisdictions)
BERKELEY	Ordinance adopted by the City Council (Municipal Code Section 13.79.050)	All units covered by the Good Cause for Eviction provisions in the Berkeley Municipal Code, including units that are exempt from rent control pursuant to State law	<ul style="list-style-type: none"> ➤ Before making a buyout offer, a Landlord must give the Tenant a written disclosure of the Tenant’s rights, on a form produced by the Rent Board. ➤ Tenant’s rights required in disclosure include: the right not to enter into a buyout agreement, the right to consult an attorney before signing the agreement, the right to rescind the agreement at any time up to 30 days after signing the agreement, and the right to consult the Rent Stabilization Board regarding the agreement. ➤ The Landlord must file any completed, signed, buyout agreements with the Rent Stabilization Board no sooner than the 31st day after the agreement is signed and no later than 60 days thereafter. ➤ The Landlord must provide a Tenant with a signed copy of the buyout agreement (if executed). ➤ Any person aggrieved by the landlord’s failure to comply with the Ordinance may bring a civil action against the landlord of the residential rental property for all appropriate relief including damages and costs which she or he may have incurred as a result of the landlord’s failure to comply with the Ordinance. In any action to recover damages resulting from a violation of this Chapter, the prevailing plaintiff(s) shall be entitled to reasonable attorneys’ fees in addition to other costs, and in addition to any liability for damages imposed by law. 	<p><i>MODERATE.</i></p> <p>The Rent Board retains a copy of all executed buyout agreements. The Rent Board’s legal staff maintains all filed buyout agreements in a file separate from any other file. All personally-identifying information is maintained as confidential.</p> <p>Information about the amount of buyout agreements and neighborhood is made publicly available. The Board collects data from filed agreements, including the amount of compensation and neighborhood of the rental unit, and makes that data public.</p>
SANTA MONICA	Ordinance Adopted by the Santa Monica City Council (Municipal Code Section 4.56.050(b)) and Rent Board Regulation 9011	All units covered by the Rent Control Law in the City Charter, including units that are exempt from rent control pursuant to State law	<ul style="list-style-type: none"> ➤ A Landlord must inform a Tenant of certain rights before offering any form of compensation in exchange for a Tenant’s agreement to vacate a rental unit. ➤ Disclosure of rights must be in writing on a form approved by the Rent Board Administrator. ➤ Tenant’s rights required in disclosure include: the right to refuse the agreement and not be retaliated against for doing so, the right to consult a lawyer, and a 30-day right to rescind acceptance of a buyout offer at any time during the 30 days after the Tenant’s acceptance. ➤ The form must also include the amount of relocation fees required by the City’s relocation ordinance, and any other information deemed necessary by the Administrator to effectuate the purpose of Municipal Code Section 4.56.050(b). ➤ The Landlord must file any completed, signed, buyout agreements with the Rent Board no sooner than the 31st day after the agreement is signed and no later than 60 days thereafter. ➤ Tenants shall be provided with a signed copy of the buyout agreement (if executed). ➤ Remedies for violations of the Ordinance include criminal penalties, the right to bring a civil action, as well as additional penalties and monetary awards. Any person who violates or aids or incites another person to violate the Ordinance is liable for each offense for the actual damages suffered by any aggrieved party or for statutory damages in the sum of between one thousand dollars and ten thousand dollars, whichever is greater, and shall be liable for such attorneys’ fees and costs as may be determined by the court in addition thereto. Any violator shall be liable for an additional civil penalty of up to five thousand dollars for each offense committed against a person who is disabled or aged sixty-five or over. The court may also award punitive damages to any plaintiff, including the City, in a proper case as defined by Civil Code Section 3294. The burden of proof for purposes of punitive damages shall be clear and convincing evidence. 	<p><i>MODERATE.</i></p> <p>The Rent Board retains a copy of all executed buyout agreements. The Rent Board’s legal staff maintains all filed buyout agreements in a file separate from any other file. All personally-identifying information is maintained as confidential.</p> <p>Information about the amount of buyout agreements and neighborhood is made publicly available. The Board collects data from filed agreements, including the amount of compensation and neighborhood of the rental unit, and makes that data public.</p>

**Draft Tenant “Buyout Agreement”¹ Case Study Research
Complaint-Driven Rent Programs:**

Jurisdiction	Type of Law	Applicability	Summary of Major Provisions of Tenant Buyout Law	Degree of Administrative Duties Required by Law (Relative to other case study jurisdictions)
LOS ANGELES	Ordinance adopted by the Los Angeles City Council (Municipal Code Section 151.31)	All units covered by the Rent Stabilization Ordinance, including units that are exempt from rent control pursuant to State law	<ul style="list-style-type: none"> ➤ Buyout agreements must be written in the primary language of the Tenant ➤ Landlords must provide specific disclosures to the Tenant about their rights on a City form prior to negotiating a buyout agreement. ➤ Tenant’s rights required in disclosure include: the right to cancel the agreement within 30 days of all parties having signed the agreement, without any obligation or penalty. The required form also includes disclosures regarding the Tenant’s right to reject the offer, the right to consult an attorney or the City, the amount of the City’s relocation payment for no-fault evictions, and the right to rescind the agreement at any time if the buyout agreement does not comply with the requirements set forth in the Municipal Code. ➤ The Landlord must file a copy of the signed and dated Rent Stabilization Ordinance Disclosure Notice and buyout agreement within 60 days of both parties having signed the agreement. ➤ Tenants shall be provided with a signed copy of the buyout agreement (if executed). ➤ Remedies for violations include: Tenant may assert violations as an affirmative defense to an unlawful detainer action; Tenant may also bring a private right of action against a Landlord who violates the Ordinance and recover damages and a penalty of \$500. 	<p>LOW.</p> <p>Copies of executed buyout agreements are retained. The Housing and Community Investment Department must retain a copy of signed agreements.</p>
OAKLAND	Ordinance adopted by the Oakland City Council (Municipal Code Section 8.22.700)	All units covered by the Residential Rental Adjustments and Evictions and Just Cause for Eviction Ordinances, except rental units owned or operated by a public entity	<ul style="list-style-type: none"> ➤ If the Tenant is proficient in Spanish or Chinese and is not proficient in English, the owner shall make a copy of the agreement available in their language of proficiency. ➤ Prior to commencing buyout negotiations, Landlords must provide information to the Rent Adjustment Program, on a form prescribed by the Rent Adjustment Program and signed by the owner under penalty of perjury. The form shall include information such as the address of the property where the Landlord intends to offer a buyout agreement and a list of all dates on which the owner initiated other buyout agreements with any current or prior tenants at the property and the rental units occupied by each Tenant. ➤ Prior to commencing negotiations, Landlords must provide specific disclosures to the Tenant about their rights on a City form prior to negotiating a buyout agreement. The Landlord and Tenant must sign the disclosure form, and a signed copy of the disclosure form must be provided to the Tenant within 3 days of execution. ➤ Tenant’s rights required in disclosure include: the right to refuse to accept the buyout agreement, a statement that the Landlord may not retaliate against the Tenant for refusing to enter into a buyout agreement, the Tenant’s right to consult an attorney before entering into an agreement, a statement that offering payments to a Tenant to vacate more than once in 6 months after the Tenant has notified the Landlord in writing that the Tenant refuses to enter into the buyout agreement shall be considered tenant harassment under the Tenant Protection Ordinance, and a statement that the Tenant may rescind the agreement within 25 days of it having been signed by all parties, unless the parties agree in writing to a short rescission period of not less than 15 days. ➤ Disclosure form required by City must also include the amount of relocation payment for no-fault evictions; a statement that assistance may be obtained by contacting the Rent Adjustment Program; a description of when Tenants have a right to return to their Rental Unit under state or local law; a statement that market rate rents in the area may be significantly higher than the Tenant’s current rent, and therefore the Tenant may wish to check rents for comparable Rental Units before accepting the agreement; a statement that payment pursuant to the buyout agreement may be subject to taxation and that the Tenant should consult the appropriate authorities for more <p align="right">(CONTINUED)</p>	<p>LOW.</p> <p>Copies of executed buyout agreements and retained and the City may make information publicly accessible. The city may make the information included on the disclosure form publically available, except that the city may redact information from the forms, including personal information, to the extent such redaction is consistent with Oakland, state, or federal laws or policy addressing disclosure of documents or information within the city's possession or control. The city does not warrant that information any party to the move out negotiation or agreement believes to be private will not be released.</p>

**Draft Tenant “Buyout Agreement”¹ Case Study Research
Complaint-Driven Rent Programs:**

			<p>information; a statement that buyout agreements that are submitted to the City may be considered public, but that the City will redact sensitive information consistent with City, state, and federal policies. The form must also include the names of all people authorized to conduct buyout agreements on the owner’s behalf, and any other information required by the Rent Adjustment Program consist with the purpose of the Ordinance.</p> <ul style="list-style-type: none"> ➤ The Landlord must file a copy of the signed and dated Rent Stabilization Ordinance Disclosure Notice and buyout agreement no sooner than the 25th day and no later than the 45th day of both parties having signed the agreement. ➤ The buyout agreement must also contain specific language regarding the Tenant’s rights; next to each statement, there must be a line for the Tenant to initial. ➤ Tenants shall be provided with a signed copy of the buyout agreement (if executed) immediately after execution. ➤ The Ordinance also states that buyout agreements must be for greater than the amount of the relocation payments to which the tenant may be entitled under Oakland, state, or federal law. Move out agreements for less than the amount to which the tenant is entitled in relocation payments constitute a violation of the Ordinance and can be regarded by the tenant as a noncompliant buyout agreement. ➤ Remedies include administrative (e.g. the issuance of administrative citations) and civil remedies. Per the Ordinance, the greater of actual damages or minimum damages of five hundred dollars (\$500.00) per violation shall be awarded for an owner’s failure to comply with the obligations established under this Article. The greater of treble actual damages or minimum damages of one thousand dollars (\$1,000.00) per violation shall be awarded for an owner’s willful failure to comply with the obligations established under the Ordinance), and triple the actual damages suffered by the aggrieved Tenants for an owner’s failure to comply with the requirements of the Ordinance when the Tenant of the affected Rental Unit is elderly, disabled, or catastrophically ill. 	
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**Draft Tenant “Buyout Agreement”¹ Case Study Research
Complaint-Driven Rent Programs:**

Jurisdiction	Type of Law	Applicability	Summary of Major Provisions of Tenant Buyout Law	Degree of Administrative Duties Required by Law (Relative to other case study jurisdictions)
SAN FRANCISCO	Ordinance adopted by the Board of Supervisors (Section 37.9E of the Administrative Code)	All units covered by the Residential Rent Stabilization and Arbitration Ordinance, including units that are exempt from rent control pursuant to State law.	<ul style="list-style-type: none"> ➤ Before making a buyout offer, a Landlord must give the Tenant a written disclosure of the Tenant’s rights, on a form produced by the Rent Board. ➤ Tenant’s rights required in disclosure include: the right not to enter into a buyout agreement, the right to consult an attorney before signing the agreement, the right to rescind the agreement at any time up to 45 days after signing the agreement, a statement that the Tenant may visit the Rent Board for information about other buyout agreements in the Tenant’s neighborhood, a list of Tenant Right’s Organizations and their contact information, a statement that information about tenant’s rights is available at the Rent Board’s office, through its counseling number, and on its website, a statement explaining the legal implications under Section 1396(e)(4) of the Subdivision Code for a Landlord who enters into one or more buyout agreements. If the Landlord is an entity, the disclosure form must also include the names of all people within that entity who will be conducting the buyout negotiations and the names of all people within that entity who will have decision-making authority over the terms of the buyout agreement, and any other information reasonably requested by the Rent Board consistent with the purpose of the Ordinance. ➤ The Landlord must retain a copy of the signed disclosure form for five years, along with a record of the date the Landlord provided the disclosure form to each Tenant. ➤ Prior to making a buyout offer, the Landlord must also provide information to the Rent Board, on a form developed by the Board, including information such as the Landlord’s contact information, the name of each Tenant with whom the Landlord intends to offer a buyout agreement, the address of each rental unit that may be the subject of buyout negotiations. ➤ Buyout agreements must be made in writing and include specific statements regarding the Tenant’s rights to cancel the buyout agreement for up to 45 days after all parties have signed, with information about how to cancel the agreement, and the right to reject the offer. The buyout agreement must also include information about the City’s condominium conversion ordinance and the requirements specific to senior, disabled, or catastrophically ill Tenants. Next to each statement required by the Ordinance to be included in the buyout agreement, there must be space provided for the Tenant to initial. ➤ Buyout agreements that do not meet the requirements of the Ordinance and where the Tenant has not initialed next to each required statement shall be considered ineffective and may be rescinded by the Tenant at any time. ➤ The Landlord must file a copy of the buyout agreement with the Rent Board no sooner than the 46th day after the buyout agreement has been signed by all parties and no later than the 59th day after it has been executed by all parties. ➤ Remedies include the right to bring a civil action against the Landlord for failure to comply with the requirements of the buyout agreement ordinance. The landlord shall be liable for the tenant's damages. In addition, the penalty for a violation of subsection (d) shall be up to \$500. The penalty for a violation of the requirements of the contents of the buyout agreement shall be up to 50% of the tenant's damages. The court shall award reasonable attorneys' fees to any tenant who is the prevailing party in a civil action. Additionally, a Landlord who has violated the requirement to a file a copy of the buyout agreement with the Rent Board shall pay to the City an administrative penalty of up to \$100 per day for each document the landlord failed to file, but in no event shall the landlord's total administrative penalty in a single civil action exceed \$20,000. Any administrative penalties collected shall be deposited in the General Fund of the City and County of San Francisco. The court shall award reasonable attorney's fees and costs to the City Attorney or a nonprofit organization that is the prevailing party in a civil action. A tenant may not bring a civil action and the City Attorney or a nonprofit organization may not bring a civil action more than four years after the date of the alleged violation. 	<p><i>HIGH.</i> Landlords must file a copy of the initial form with the Rent Board. Information on the form that a Landlord must provide to the Rent Board prior to initiating a buyout agreement must be made publicly available, except that the Rent Board shall redact all sensitive information regarding the identity of the Tenants.</p> <p>The Rent Board must maintain a searchable database of all buyout agreements. The Rent Board is required to create a searchable database with information received from filings under subsection (h). The database shall be accessible to the public at the Rent Board's office and shall include a copy of filed buyout agreements. Before posting a copy of any filed buyout agreements on its database, the Rent Board shall redact all information regarding the identity of the tenants.</p> <p>The Rent Board must report annually to the Board of Supervisors on the implementation of the Ordinance. The Rent Board shall provide an annual report to the Board of Supervisors regarding the implementation of the Ordinance. The first report shall be completed by January 31, 2016, and subsequent reports shall be completed by January 31 in subsequent years. The report shall include, but not be limited to, a list of all units that have been the subject of Buyout Agreements that have been reported to the Rent Board. The Rent Board shall post each of these annual reports on its website.</p>

**Draft Tenant “Buyout Agreement”¹ Case Study Research
Complaint-Driven Rent Programs:**

Jurisdiction	Type of Law	Applicability	Summary of Major Provisions of Tenant Buyout Law	Degree of Administrative Duties Required by Law (Relative to other case study jurisdictions)
SAN JOSÉ	Ordinance adopted by the San José City Council (Part 7 of Chapter 17.23 of the Municipal Code) and Chapter 14 of the Regulations adopted by the City Council.	All units covered by the Apartment Rent Ordinance, including units that are exempt from rent control pursuant to State law.	<ul style="list-style-type: none"> ➤ Before making a buyout offer, a Landlord must give the Tenant a written disclosure of the Tenant’s rights, on a form produced by the Rent Board. ➤ Content required in disclosure form includes: a statement that the unit is subject to the Apartment Rent Ordinance and Tenant Protection Ordinance and contact information for the Rent Program, a statement that Tenants may request that the Landlord provide a copy of the proposed buyout agreement in the Tenant’s primary language and a box in which the Tenant can make that request, a statement of the Tenant’s right not to enter into the agreement, a statement explaining that the Tenant has the right to seek an attorney prior to and during negotiations for a buyout agreement and can make a counter offer to the buyout agreement, a statement that the Tenant has a right to cancel any buyout agreement within 45 days of the date of execution of the buyout agreement without penalty, a statement that exercising the right to rescind the agreement after the tenant has moved out of the unit will not entitle the Tenant to move back into the unit, and a statement that the Tenant may be entitled to relocation benefits due to certain terminations of tenancy, and that the tenant may contact the Rent Program for more information. ➤ Buyout agreements must be made in writing and the Tenant may request that the Landlord provide the Tenant with a translated copy of the buyout agreement. The buyout agreement must contain a statement that the Tenant has the right to refuse the buyout agreement, that they may choose to speak with an attorney before signing the agreement, that they may consult the City Housing Department prior to signing the agreement, and that the Tenant may rescind the agreement within 45 days of signing the agreement without penalty, with instructions for cancelling the agreement by sending a signed and dated notice to the Landlord by U.S. mail that the Tenant is cancelling the agreement. ➤ The Landlord must provide a copy of the executed buyout agreement to all Tenant signatories upon execution. ➤ The Tenant has the right to rescind a buyout agreement if (1) less than 45 days have passed since the parties signed the agreement; (2) the Landlord has failed to comply with the buyout offer requirements in the Regulations; or (3) any other circumstances under State and/or Federal law that would permit the rescission of a contractual agreement. ➤ The Landlord must file a copy of the buyout agreement with Rent Program staff within 30 days from the date the Landlord and Tenant signed the agreement. 	<p><i>LOW.</i> Copies of executed buyout agreements are retained. Buyout agreement shall be maintained in a separate file and the City must maintain the Tenant’s personal identifying information as confidential and in a manner consistent with State law. Staff may collect data from the buyout agreements, including, but not limited to, the amount of compensation paid.</p>

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: November 14, 2018

Final Decision Date Deadline: November 14, 2018

STATEMENT OF THE ISSUE: On December 20, 2017, the Richmond Rent Board adopted Regulation 602, which allows Landlords of Controlled Rental Units to “bank” Annual General Adjustment rent increases, with limitations. Staff members are proposing revisions to Regulation 602 to (1) clarify the banking provisions of the Regulation, where Landlords may apply up to 5% of deferred rent increases in a twelve-month period, and (2) establish the utilization of a compound interest formula, rather than a simple interest formula, in the calculation of the Maximum Allowable Rent.

INDICATE APPROPRIATE BODY

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| <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: ADOPT amendments to Regulation 602 to (1) clarify the banking provisions of the Regulation, where Landlords may apply up to 5% of deferred rent increases in a twelve-month period, and (2) establish the utilization of a compound interest formula, rather than a simple interest formula, in the calculation of the Maximum Allowable Rent – Rent Program (Nicolas Traylor 620-6564).

AGENDA ITEM NO:

I-1.

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AGENDA REPORT

DATE: November 14, 2018

TO: Chair Gray and Members of the Rent Board

FROM: Nicolas Traylor, Executive Director

SUBJECT: PROPOSED REVISIONS TO REGULATION 602, REGARDING
"BANKING" OF ANNUAL GENERAL ADJUSTMENT RENT INCREASES

STATEMENT OF THE ISSUE:

On December 20, 2017, the Richmond Rent Board adopted Regulation 602, which allows Landlords of Controlled Rental Units to "bank" Annual General Adjustment rent increases, with limitations. Staff members are proposing revisions to Regulation 602 to (1) clarify the banking provisions of the Regulation, where Landlords may apply up to 5% of deferred rent increases in a twelve-month period, and (2) establish the utilization of a compound interest formula, rather than a simple interest formula, in the calculation of the Maximum Allowable Rent.

RECOMMENDED ACTION:

ADOPT amendments to Regulation 602 to (1) clarify the banking provisions of the Regulation, where Landlords may apply up to 5% of deferred rent increases in a twelve-month period, and (2) establish the utilization of a compound interest formula, rather than a simple interest formula, in the calculation of the Maximum Allowable Rent – Rent Program (Nicolas Traylor 620-6564).

FISCAL IMPACT:

While there is no discernable fiscal impact concerning this action item, if Regulation 602 is not amended, the process of calculating the Maximum Allowable Rent may be more administratively complex and could lead to confusion for both Landlords and Tenants, which may lead to higher staff costs.

DISCUSSION:

Background

Each September, the Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance (Rent Ordinance) allows Landlords to increase the Maximum Allowable Rent by the Annual General Adjustment. Pursuant to Rent Board Regulation 602, if a Landlord elects not to take an AGA increase, rather than losing that AGA increase, they may defer that increase (or multiple deferred AGA increases) to be taken in future years, with a limit of taking no more than 5% of deferred increases plus the current year's applicable increase within a 12 month period.

Proposed Amendments to Clarify the Banking Provisions of Regulation 602

On December 20, 2017, the Richmond Rent Board adopted Regulation 602, which states, in pertinent part:

“B. To the extent a Landlord has not increased Rent up to the Maximum Lawful Rent level, the Landlord shall have the ability to apply deferred Annual General Adjustment rent increases; however, the net rent increase in any one twelve-month period shall not exceed the current year Annual General Adjustment Rent Increase plus five percent (5.0%) of the Rent charged at any time during the preceding 12-month period.”

In their application of this provision, staff members have recognized that the phrase “*the net rent increase in any one twelve-month period shall not exceed the current year Annual General Adjustment Rent Increase plus five percent (5.0%) of the Rent charged at any time during the preceding 12-month period*” does not adequately articulate the Board’s intent to limit the application of deferred rent increases to five percent annually.

To rectify this issue, staff members propose the following language:

“B. To the extent a Landlord has not increased Rent up to the Maximum Lawful Rent level, the Landlord shall have the ability to apply deferred Annual General Adjustment rent increases; however, if the proposed rent increase for the Tenant household exceeds the current year Annual General Adjustment plus 5 percent (5.0%) of the rental amount charged to the Tenant household at any time during the 12 months prior to the effective date of the proposed increase, either in and of itself or when combined with any other rent increases for the 12 months prior to the effective date of the increase, the proposed rent increase shall be void.”

Compounding vs. Simple Interest Issue

The current Regulation employs a simple interest formula (e.g. 3.0% plus 3.4% equals 6.4%) rather than a compounding interest formula (e.g. 3.0% plus 3.4% equals 6.56%). To accurately calculate the Maximum Allowable Rent, which equals the Base or initial Rent paid plus each years AGA increase, the previous years Maximum Allowable Rent level must be multiplied by the current AGA percentage. This process uses compounding interest. Regulation 602 should therefore reflect this process.

The cumulative impact of utilizing simple versus compound interest formulas is shown in the table below. While the difference between the Maximum Allowable Rent using these two formulas may appear nominal in the first few years, the net effect of utilizing simple versus compound interest formulas will become more pronounced over time.

Year	AGA Rent Increase	Cumulative Total AGAs – <u>Simple Interest Formula</u>	New MAR - <u>Simple Interest Formula</u> (Assumes Base Rent of \$1,000)	Cumulative Total AGAs – <u>Compound Interest Formula</u>	New MAR – <u>Compound Interest Formula</u> (Assumes Base Rent of \$1,000)
2016	3.0%	3.0%	\$1,030	3.0%	\$1,030
2017	3.4%	6.4%	\$1,064	6.56%	\$1,065
2018	3.6%	10.0%	\$1,100	10.3%	\$1,103

Under a simple interest “banking” scheme, Landlords who elect to defer Annual General Adjustment increases will forego a portion of the rent increase. This may be inconsistent with the Rent Board’s intent to allow Landlords to recover previously deferred Annual General Adjustment rent increases to the fullest extent.

DOCUMENTS ATTACHED:

Attachment 1 – Redlined version of revised Regulation 602

Attachment 2 – Amended Regulation 602

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**ITEM I-1
ATTACHMENT 1**

602. Banking

- A. A Landlord may, but is not required to, increase Rent by the Annual General Adjustment as provided by Chapter 6 of these Regulations.
- B. To the extent a Landlord has not increased Rent up to the Maximum Lawful Rent level, the Landlord shall have the ability to apply deferred Annual General Adjustment rent increases; however, if the proposed rent increase for the Tenant household exceeds the current year Annual General Adjustment plus five percent (5.0%)~~the~~ of the rental amount charged to the Tenant household at any time during the 12 months prior to the effective date of the proposed increase, either in and of itself or when combined with any other rent increases for the 12 months prior to the effective date of the increase, the proposed rent increase shall be void. net rent increase in any one twelve month period shall not exceed the current year Annual General Adjustment Rent Increase plus five percent (5.0%) of the Rent charged at any time during the preceding 12 month period.
- C. In the event that a current year's Annual General Adjustment exceeds five percent (5.0%), a Landlord may not apply any deferred Annual General Adjustment increases until the next Annual General Adjustment increase less than five percent (5.0%) is effective.
- D. "Banking" of Annual General Adjustment Increases shall be calculated based on simple compound addition, ~~without compounding~~. For example, an increase of three percent (3.0%) plus three point four percent (3.4%) is equal to a combined increase of six point five six percent (6.56%), not six point four percent (6.4%)~~, not six point five six percent (6.56%)~~.
- E. Nothing in this Regulation shall preclude a Landlord from petitioning for a Rent Increase in excess of the Annual General Adjustment.
- F. This Regulation shall become effective September 1, 2018.

[Formerly Regulation 17-09; adopted December 20, 2017; [Amended October 17, 2018](#)]

602. Banking

- A. A Landlord may, but is not required to, increase Rent by the Annual General Adjustment as provided by Chapter 6 of these Regulations.
- B. To the extent a Landlord has not increased Rent up to the Maximum Lawful Rent level, the Landlord shall have the ability to apply deferred Annual General Adjustment rent increases; however, if the proposed rent increase for the Tenant household exceeds the current year Annual General Adjustment plus five percent (5.0%) of the rental amount charged to the Tenant household at any time during the 12 months prior to the effective date of the proposed increase, either in and of itself or when combined with any other rent increases for the 12 months prior to the effective date of the increase, the proposed rent increase shall be void.
- C. In the event that a current year's Annual General Adjustment exceeds five percent (5.0%), a Landlord may not apply any deferred Annual General Adjustment increases until the next Annual General Adjustment increase less than five percent (5.0%) is effective.
- D. "Banking" of Annual General Adjustment Increases shall be calculated based on compound addition. For example, an increase of three percent (3.0%) plus three point four percent (3.4%) is equal to a combined increase of six point five six percent (6.56%), not six point four percent (6.4%).
- E. Nothing in this Regulation shall preclude a Landlord from petitioning for a Rent Increase in excess of the Annual General Adjustment.
- F. This Regulation shall become effective September 1, 2018.

[Formerly Regulation 17-09; adopted December 20, 2017; Amended October 17, 2018]

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: November 14, 2018

Final Decision Date Deadline: November 14, 2018

STATEMENT OF THE ISSUE: On January 24, 2018, the Rent Board adopted Regulation 842, which describes the process whereby a party to a Rent Adjustment Petition may appeal the Hearing Examiner's decision. Regulation 842(F) provides that if the Board has not acted on the appeal at two consecutive Board meetings, the appeal is deemed denied. At the request of the Rent Board Chair, staff explored possible amendments to this provision to clarify the process whereby an appeal could automatically be denied by the Board due to non-action. Staff members are recommending deletion of this provision.

INDICATE APPROPRIATE BODY

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| <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: ADOPT an amendment to Regulation 842(F), removing the provision that if the Board has not acted on an appeal at two consecutive Board meetings, the appeal is deemed denied – Rent Program (Nicolas Traylor 620-6564).

AGENDA ITEM NO:

I-2.

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AGENDA REPORT

DATE: November 14, 2018

TO: Chair Gray and Members of the Rent Board

FROM: Nicolas Traylor, Executive Director

SUBJECT: PROPOSED REVISION TO REGULATION 842, CONCERNING THE APPEALS PROCESS

STATEMENT OF THE ISSUE:

On January 24, 2018, the Rent Board adopted Regulation 842, which describes the process whereby a party to a Rent Adjustment Petition may appeal the Hearing Examiner's decision. Regulation 842(F) provides that if the Board has not acted on the appeal at two consecutive Board meetings, the appeal is deemed denied. At the request of the Rent Board Chair, staff explored possible amendments to this provision to clarify the process whereby an appeal could automatically be denied by the Board due to non-action. Staff members are recommending deletion of this provision.

RECOMMENDED ACTION:

ADOPT an amendment to Regulation 842(F), removing the provision that if the Board has not acted on an appeal at two consecutive Board meetings, the appeal is deemed denied – Rent Program (Nicolas Traylor 620-6564).

FISCAL IMPACT:

There is no fiscal impact related to this item at this time.

DISCUSSION:

Background

In accordance with Regulation 841, any party may appeal a hearing examiner's decision to the Board. On appeal, the Board may affirm, reverse, remand or modify the decision of the hearing examiner.

Appeals are filed on a form provided by the Board no later than thirty (30) calendar days after receipt of the notice of the hearing examiner's decision. Once an appeal has been

ITEM I-2

received, staff members will review the appeal, and, if complete, agendaize the appeal for Board action at the next Regular Meeting.

At least fourteen (14) calendar days prior to the date set for Board action on the appeal, staff members will prepare a Rent Board Agenda Report, recommending that the decision of the hearing examiner be affirmed, modified, reversed or remanded to the hearing examiner for further hearing.

Proposed Amendment to Regulation 842

Section F of Regulation 842 states that if the Board has not acted on the appeal at two consecutive Board meetings, the appeal is deemed denied. Staff members are recommending deletion of this provision, and instead, developing an internal policy where staff will make every possible effort to ensure appeals are agendaized within a reasonable amount of time from the date of receipt of the appeal. This policy shall allow adequate time for the Staff Attorney to review the appeal and issue a recommendation to the Board.

DOCUMENTS ATTACHED:

Attachment 1 – Redlined version of revised Regulation 842

Attachment 2 – Amended Regulation 842

842. Appeal Process

- A. Any appeal shall be filed on a form provided by the Board no later than thirty (30) calendar days after receipt of the notice of the hearing examiner's decision. A party is presumed to receive the decision five (5) business days after it is mailed. The appeal must contain a statement of the specific grounds on which the appeal is based. The Board will not consider an appeal that fails to state any facts or arguments in support of the grounds alleged in the appeal. Except as provided in Section 842(E), no other documents in support of the appeal will be accepted after the appeal deadline unless specifically requested by the Board. The appeal shall be sent to the Board and opposing parties and their representative. Additionally, appellants shall send a copy of the appeal to the hearing examiner whose decision is being appealed. The Board or staff may order that appeals relating to the same building or property, or different properties of the same Landlord, be consolidated. The opposing party shall file any response to the appeal within fifteen (15) calendar days from the date the appeal is filed.
- B. The hearing examiner's decision shall be stayed pending appeal. In its decision, the Board shall order the appropriate party to make retroactive payments over a reasonably appropriate period to restore the parties to the positions they would have occupied had the hearing examiner's decision been the same as that of the Board or had not been stayed.
- C. At least fourteen (14) calendar days prior to the date set for Board action on the appeal, a Board Staff report shall be prepared recommending that the decision of the hearing examiner be affirmed, modified, reversed or remanded to the hearing examiner for further hearing. Board Staff may supplement the record by including matters of which the Board may take official notice, provided that the parties are notified of such matters at least fourteen (14) days prior to the date set for Board action. Any objection to a staff request for official notice of such matters shall be filed no later than seven (7) calendar days prior to the date set for Board action.
- D. At least fourteen (14) calendar days prior to the date set for Board action, all parties shall be notified by mail of the date, time and place set for Board action on the appeal. Copies of the Board Staff recommendation shall be mailed to all parties and their representatives at least 14 days prior to the Board action. Copies of the official record and the staff recommendation shall be available for public review at the Board office at least fourteen (14) days prior to the date set for Board action. Parties may submit written comments to the Board up to seven (7) days prior to the Board action.
- E. At the Board meeting at which action on the appeal is scheduled, each party or the party's representative will be allowed seven (7) minutes to address the Board at the beginning of the hearing in the following order: appellant for five (5) minutes, respondent for seven (7) minutes, appellant for two (2) minutes. For any party addressing the Board who requires translation the allowable times shall be doubled. The Board has the discretion to allow more time.
- F. Unless the Board determines that a de novo hearing is required, the Board's decision will be based exclusively on the record before the hearing examiner. Parties shall be instructed not to discuss or comment upon factual matters or evidence that were not presented to the hearing examiner or officially noticed. Parties may discuss or comment upon the legal matters in question and any other pertinent issues raised by the appeal. The Board shall disregard any discussion or comment regarding factual matters that were not

ITEM I-2 ATTACHMENT 1

in the record before the hearing examiner or officially noticed. The vote of three (3) Board members is required to affirm, modify, remand or reverse the decision of the hearing examiner. ~~If the Board has not acted on the appeal at two consecutive Board meetings, the appeal is deemed denied.~~

- G. The Board's decision to affirm, modify, remand or reverse the decision of the hearing examiner shall be supported by written findings of fact and conclusions of law. When the Board votes to adopt the staff recommendation unchanged, the parties to the appeal will be notified only of the Board's decision. When the Board does not adopt the staff recommendation as written, a written decision of the Board shall be mailed to the parties or their representative of record.
- H. Continuances of dates set for Board action on appeals shall be granted by a majority of the Board or by the Executive Director only for good cause shown. A written request and the reasons for it must be received by the Board at least two (2) business days prior to the scheduled hearing, unless good cause is shown for later request. The written request must contain the reasons for the continuance, an explanation of what efforts were made to ascertain the position of the other parties regarding the request for a continuance, and mutually acceptable alternative dates. Copies of this written request must be sent immediately to all other parties and proof of service must accompany the written request filed with the Board.

I. Reconsideration.

- 1) At the discretion of the Executive Director or their designee, an appeal may be treated as a request for reconsideration and referred back to the hearing examiner for such reconsideration only if it is claimed by the appellant that:
 - a) There was good cause for a failure to respond to a petition; or
 - b) There was good cause for a failure to appear at a settlement conference or hearing; or
 - c) The appellant wishes to present relevant evidence that could not, with reasonable diligence, have been discovered and produced at the hearing.
- 2) In the event that reconsideration under subsection (K) (1) is ordered, the parties will be so notified within 15 days of the filing of the appeal and, thereafter, all correspondence shall be directed to the hearing examiner. The threshold issue on reconsideration shall be whether a preponderance of the evidence supports the assertion that good cause existed for the failure to respond to a petition or to appear at a hearing or that the newly offered evidence could not, with reasonable diligence, have been discovered and produced at the hearing. Only if good cause for the failure is found may the hearing examiner reconsider the merits of the petition.

[Adopted January 24, 2018; Amended November 14, 2018]

842. Appeal Process

- A. Any appeal shall be filed on a form provided by the Board no later than thirty (30) calendar days after receipt of the notice of the hearing examiner's decision. A party is presumed to receive the decision five (5) business days after it is mailed. The appeal must contain a statement of the specific grounds on which the appeal is based. The Board will not consider an appeal that fails to state any facts or arguments in support of the grounds alleged in the appeal. Except as provided in Section 842(E), no other documents in support of the appeal will be accepted after the appeal deadline unless specifically requested by the Board. The appeal shall be sent to the Board and opposing parties and their representative. Additionally, appellants shall send a copy of the appeal to the hearing examiner whose decision is being appealed. The Board or staff may order that appeals relating to the same building or property, or different properties of the same Landlord, be consolidated. The opposing party shall file any response to the appeal within fifteen (15) calendar days from the date the appeal is filed.
- B. The hearing examiner's decision shall be stayed pending appeal. In its decision, the Board shall order the appropriate party to make retroactive payments over a reasonably appropriate period to restore the parties to the positions they would have occupied had the hearing examiner's decision been the same as that of the Board or had not been stayed.
- C. At least fourteen (14) calendar days prior to the date set for Board action on the appeal, a Board Staff report shall be prepared recommending that the decision of the hearing examiner be affirmed, modified, reversed or remanded to the hearing examiner for further hearing. Board Staff may supplement the record by including matters of which the Board may take official notice, provided that the parties are notified of such matters at least fourteen (14) days prior to the date set for Board action. Any objection to a staff request for official notice of such matters shall be filed no later than seven (7) calendar days prior to the date set for Board action.
- D. At least fourteen (14) calendar days prior to the date set for Board action, all parties shall be notified by mail of the date, time and place set for Board action on the appeal. Copies of the Board Staff recommendation shall be mailed to all parties and their representatives at least 14 days prior to the Board action. Copies of the official record and the staff recommendation shall be available for public review at the Board office at least fourteen (14) days prior to the date set for Board action. Parties may submit written comments to the Board up to seven (7) days prior to the Board action.
- E. At the Board meeting at which action on the appeal is scheduled, each party or the party's representative will be allowed seven (7) minutes to address the Board at the beginning of the hearing in the following order: appellant for five (5) minutes, respondent for seven (7) minutes, appellant for two (2) minutes. For any party addressing the Board who requires translation the allowable times shall be doubled. The Board has the discretion to allow more time.
- F. Unless the Board determines that a de novo hearing is required, the Board's decision will be based exclusively on the record before the hearing examiner. Parties shall be instructed not to discuss or comment upon factual matters or evidence that were not presented to the hearing examiner or officially noticed. Parties may discuss or comment upon the legal matters in question and any other pertinent issues raised by the appeal. The Board shall disregard any discussion or comment regarding factual matters that were not

ITEM I-2 ATTACHMENT 2

in the record before the hearing examiner or officially noticed. The vote of three (3) Board members is required to affirm, modify, remand or reverse the decision of the hearing examiner.

- G. The Board's decision to affirm, modify, remand or reverse the decision of the hearing examiner shall be supported by written findings of fact and conclusions of law. When the Board votes to adopt the staff recommendation unchanged, the parties to the appeal will be notified only of the Board's decision. When the Board does not adopt the staff recommendation as written, a written decision of the Board shall be mailed to the parties or their representative of record.
- H. Continuances of dates set for Board action on appeals shall be granted by a majority of the Board or by the Executive Director only for good cause shown. A written request and the reasons for it must be received by the Board at least two (2) business days prior to the scheduled hearing, unless good cause is shown for later request. The written request must contain the reasons for the continuance, an explanation of what efforts were made to ascertain the position of the other parties regarding the request for a continuance, and mutually acceptable alternative dates. Copies of this written request must be sent immediately to all other parties and proof of service must accompany the written request filed with the Board.

I. Reconsideration.

- 1) At the discretion of the Executive Director or their designee, an appeal may be treated as a request for reconsideration and referred back to the hearing examiner for such reconsideration only if it is claimed by the appellant that:
 - a) There was good cause for a failure to respond to a petition; or
 - b) There was good cause for a failure to appear at a settlement conference or hearing; or
 - c) The appellant wishes to present relevant evidence that could not, with reasonable diligence, have been discovered and produced at the hearing.
- 2) In the event that reconsideration under subsection (K) (1) is ordered, the parties will be so notified within 15 days of the filing of the appeal and, thereafter, all correspondence shall be directed to the hearing examiner. The threshold issue on reconsideration shall be whether a preponderance of the evidence supports the assertion that good cause existed for the failure to respond to a petition or to appear at a hearing or that the newly offered evidence could not, with reasonable diligence, have been discovered and produced at the hearing. Only if good cause for the failure is found may the hearing examiner reconsider the merits of the petition.

[Adopted January 24, 2018; Amended November 14, 2018]

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: November 14, 2018

Final Decision Date Deadline: November 14, 2018

STATEMENT OF THE ISSUE: Since February 1, 2018, the Rent Board has contracted with Centro Legal de la Raza, whose offices are located in the Fruitvale neighborhood of Oakland, California, to provide legal consultations to qualifying Richmond residents. Staff members are proposing the reissuance of a Request for Proposals for Community Legal Services to solicit proposals from non-profit service providers who may be better equipped to serve Richmond residents based on proximity to Richmond, staff capacity, and ability to assist Tenants residing in governmentally-subsidized Rental Units, and are seeking authorization from the Board to enter into community legal services contracts for qualifying Richmond residents in a total contract amount not to exceed \$37,500 for the second half of Fiscal Year 2018-19 (January 2019 – June 2019).

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

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

RECOMMENDED ACTION: DIRECT staff to negotiate and execute community legal services contracts for qualifying Richmond residents in a total contract amount not to exceed \$37,500 for the second half of Fiscal Year 2018-19 (January 2019 – June 2019) – Rent Program (Nicolas Traylor 620-6564).

AGENDA ITEM NO:

J-1.

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AGENDA REPORT

DATE: November 14, 2018

TO: Chair Gray and Members of the Rent Board

FROM: Nicolas Traylor, Executive Director

SUBJECT: REISSUANCE OF A REQUEST FOR PROPOSALS FOR COMMUNITY LEGAL SERVICES

STATEMENT OF THE ISSUE:

Since February 1, 2018, the Rent Board has contracted with Centro Legal de la Raza, whose offices are located in the Fruitvale neighborhood of Oakland, California, to provide legal consultations to qualifying Richmond residents. Staff members are proposing the reissuance of a Request for Proposals for Community Legal Services to solicit proposals from non-profit service providers who may be better equipped to serve Richmond residents based on proximity to Richmond, staff capacity, and ability to assist Tenants residing in governmentally-subsidized Rental Units, and are seeking authorization from the Board to enter into community legal services contracts for qualifying Richmond residents in a total contract amount not to exceed \$37,500 for the second half of Fiscal Year 2018-19 (January 2019 – June 2019).

RECOMMENDED ACTION:

DIRECT staff to negotiate and execute community legal services contracts for qualifying Richmond residents in a total contract amount not to exceed \$37,500 for the second half of Fiscal Year 2018-19 (January 2019 – June 2019) – Rent Program (Nicolas Traylor 620-6564).

FISCAL IMPACT:

The Fiscal Year 2018-19 Rent Program Budget, adopted by the Rent Board on April 23, 2018, allocates \$150,000 for Community Services Agency Contracts. Currently, the Rent Board has entered into contracts with the Eviction Defense Center and Centro Legal de la Raza for Fiscal Year 2018-19, each in an amount not to exceed \$75,000. If an alternative community legal services provider is selected through the RFP process, it is anticipated that Centro Legal de la Raza would withdraw from their existing contract in January 2019 through a mutual agreement with Rent Program staff, and the new

legal service provider would resume services for the remainder of the Fiscal Year in an amount not to exceed the remaining budgeted amount of \$37,500.

DISCUSSION:

Background

On June 21, 2017, the Rent Board directed staff to negotiate and execute legal services contracts for representation of Tenants and Landlords. In accordance with the City's procurement process, on August 11, 2017, the Rent Program issued a Request for Qualifications and Proposals for Legal Services. Prospective service providers were required to submit proposals no later than 12:00 PM on Friday, September 8, 2017.

The Rent Program received four proposals from the following prospective service providers:

- The Eviction Defense Center
- Centro Legal de la Raza
- Judondi Bolden
- Charles Ramsey

Proposals were evaluated by a review committee and ranked based on the following criteria:

- Experience with local, state, and federal laws, regulations, and litigation in local courts;
- Ability to respond to Rent Program needs in an effective and timely manner;
- Familiarity with the City of Richmond and ability to serve the Richmond community;
- The extent to which additional resources will be provided if a contract with the Rent Program is awarded, specifically in terms of the number and titles of staff employed;
- Demonstrated ability to translate documents and communicate in multiple languages;
- Familiarity with subsidized rental housing policies and programs; and
- The fee proposal and cost-effectiveness of the proposal.

Based on the proposals and feedback from the review committee, staff members executed contracts with The Eviction Defense Center and Centro Legal de la Raza.

Service Review – Eviction Defense Center

The Rent Board's contract with the Eviction Defense Center (EDC), executed on February 1, 2018, provides, in pertinent part, that the EDC shall be compensated \$6,250 per month to serve a minimum of 15 Richmond tenants per month following referral from a Rent Program staff member. These tenants will receive pre-litigation

counseling and review of documents with appropriate legal response and/or full representation in court at their unlawful detainer hearing. Since February 2018, the Eviction Defense Center has consistently exceeded their anticipated service levels, averaging over 40 clients served per month between February and September 2018.

On June 20, 2018, the Rent Board renewed its contract with the Eviction Defense Center, allocating \$75,000 of funds budgeted for Fiscal Year 2018-19 and extending the term to June 30, 2019 (Attachment 1).

Service Review – Centro Legal de la Raza

The Rent Board's contract with Centro Legal de la Raza, executed on February 1, 2018, provides, in pertinent part, that Centro Legal de la Raza shall be compensated \$6,250 per month to provide 125 legal consultations to qualifying Tenants related to Landlord/Tenant issues at its office in Oakland. In addition, Centro Legal de la Raza further agrees to provide legal representation to qualifying tenants requiring injunctive, declarative, or other legal remedies at a rate of eight cases per year. Since February 2018, Centro Legal de la Raza has assisted an average of 11 clients per month. While reports indicate at least 10 cases have been selected for legal representation, it is not clear from monthly reports provided by Centro Legal de la Raza the extent of their affirmative action and court appearances.

On June 20, 2018, the Rent Board renewed its contract with Centro Legal de la Raza for community legal services, allocating \$75,000 of funds budgeted for Fiscal Year 2018-19, extending the term to June 30, 2019, and modifying the service plan to specify that Centro Legal de la Raza agrees to provide one hundred and twenty-five legal consultations to qualifying tenants per year (Attachment 2).

Proposed Reissuance of a Request for Proposals for Community Legal Services

Staff members are proposing the reissuance of a Request for Proposals for Community Legal Services to solicit proposals from non-profit service providers who may be better equipped to provide those legal services currently provided by Centro Legal de la Raza to Richmond residents based on proximity to Richmond, staff capacity, and ability to assist Tenants residing in governmentally-subsidized Rental Units. The legal services sought by the RFP may include, but are not limited to, providing no less than 0.5 FTE of an attorney dedicated to Richmond cases, offering housing clinics in the City of Richmond available to all low-income community members, regardless of citizenship status, assisting community members with the completion of Rent Adjustment Petitions, advocating for Richmond residents through the issuance of written correspondence, Rent Adjustment Petitions, and affirmative action cases, and coordinating with peer legal service providers and the Rent Program to provide comprehensive support to Richmond community members.

If an alternative community legal services provider is selected through the RFP process, it is anticipated that Centro Legal de la Raza would withdraw from their existing contract

ITEM J-1

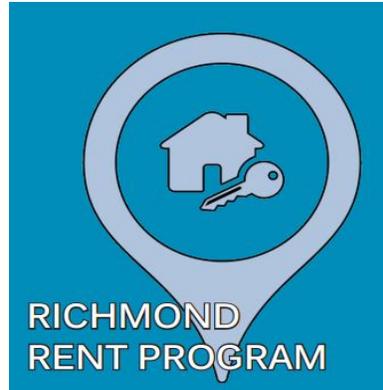
in January 2019 through a mutual agreement with Rent Program staff, and the new legal service provider would resume services for the remainder of the Fiscal Year in an amount not to exceed the remaining budgeted amount of \$37,500. If services are provided to the satisfaction of the Executive Director, it is anticipated the contract could be renewed for the entirety of the 2019-20 Fiscal Year.

DOCUMENTS ATTACHED:

Attachment 1 – First Contract Amendment with the Eviction Defense Center

Attachment 2 – First Contract Amendment with Centro Legal de la Raza

Attachment 3 – Draft Request for Proposals for Legal Services



CITY OF RICHMOND RENT PROGRAM

**Richmond Fair Rent, Just Cause for Eviction, and
Homeowner Protection Ordinance (RMC 11.100)**

REQUEST FOR PROPOSALS FOR LEGAL SERVICES

November 19, 2018

**CITY OF RICHMOND RENT PROGRAM
REQUEST FOR QUALIFICATIONS AND PROPOSALS FOR LEGAL
SERVICES**

The City of Richmond Rent Program is soliciting proposals from legal service providers to provide legal assistance to eligible participants specifically with regard to the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance and the Relocation Ordinance, codified in Chapters 11.100 and 11.102, respectively, of the Richmond Municipal Code, as well as with other rent-related ordinances that the City Council may adopt in the future, resolutions adopted by the City Council to implement rent-related ordinances and regulations, and rules and policies that the Rent Board adopts to implement the rent-related ordinances and resolutions.

This Request for Qualifications and Proposals may be obtained online at www.richmondrent.org or by visiting the Rent Program office, located on the second floor of 440 Civic Center Plaza, Richmond, CA 94804. One (1) original and five (5) copies of the sealed proposals must be submitted to the Rent Program Office in hard copy no later than 12:00 PM on Friday, December 14, 2018, at the following address:

**City of Richmond Rent Program
Attn: Paige Roosa
440 Civic Center Plaza, Suite 200
Richmond, CA 94804**

The initial contract shall extend for the duration of the 2018-19 Fiscal Year and shall not exceed the amount for legal services adopted by the Rent Board in the Fiscal Year 2018-19 Rent Program Budget.

Any questions or requests regarding this Request for Qualifications and Proposals may be submitted in writing to Paige Roosa at paige_roosa@ci.richmond.ca.us. Written responses to inquiries received by 5:00 PM on Friday, December 7, 2018, will be posted at www.richmondrent.org.

INTRODUCTION

The following provides general information and instructions for applying for funds from the City of Richmond Rent Board for the services described below to be performed in Fiscal Year (FY) 2018-2019. This document contains the requirements that all applicants must satisfy and/or complete. All prospective service providers must complete the application that can be obtained online at www.richmondrent.org or by visiting the Rent Program office, located on the second floor of 440 Civic Center Plaza, Richmond, CA 94804.

Through this Request for Proposals (RFP), the City of Richmond Rent Board (Rent Board) invites qualified organizations to submit proposals to provide legal services to low-income (LI) Richmond residents subject to the rights and responsibilities conferred by the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance. The goal of the legal services for LI Richmond Residents is to promote neighborhood and community stability by providing legal counseling and legal services to LI Richmond Residents. Legal services must relate to the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (Rent Ordinance), other rent related ordinances and resolutions, and regulations, rules and policies that the Rent Board adopts. These legal services may include, but are not limited to, providing at least 0.5 FTE of an attorney dedicated to Richmond cases, offering housing clinics in the City of Richmond available to all low-income community members, regardless of citizenship status, assisting community members with the completion of Rent Adjustment Petitions, advocating for Richmond residents through the issuance of written correspondence, Rent Adjustment Petitions, and affirmative action cases, and coordinating with peer legal service providers and the Rent Program to provide comprehensive support to Richmond community members.

Funding for the program will be provided for the 2018-19 Fiscal Year with the option to extend at the Rent Board's sole discretion and contingent upon funding availability and performance. The Rent Board's application process is based on the fiscal year calendar, July 1 to June 30. The Rent Board expects the agreements to be executed by January 10, 2019. Agreements for the first year may be executed for a five- or six-month period, ending June 30, 2019 with the possibility of renewing the contract for additional years. The maximum award for an agreement spanning January 10, 2019 through June 30, 2019, is \$37,500.¹

The selected provider(s) will be required to enter into an agreement with the Rent Board containing the terms and conditions set forth in Attachment A: Proposed Agreement. If you have any exceptions to the standard terms and conditions you must note them in your proposal; otherwise, none will be considered or granted.

¹Please note the amount shown is the maximum possible award amount for one half of the fiscal year. If the contract is extended for the full 2019-20 fiscal year, the award amount will be doubled.

ITEM J-1 ATTACHMENT 1

To the extent that the requested funding exceeds the amount available, the Rent Board retains the right to negotiate the final funding amount. If it is determined that additional funding is available, the Rent Board has the right to increase one or both programs' maximum allocation amount.

Providers are expected to have an outcome-oriented approach with a strong emphasis on concrete, measurable results. It will not be enough to simply say that activities will be conducted. Rather, funded agencies will be expected to demonstrate the long-term impact that these activities will have on Richmond community members.

The Rent Board may elect to make a limited number of awards to individual agencies that can provide the range of requested services under each program. The Rent Board will consider *consortium* proposals if each consortium agency is essential to the full implementation of the proposed program. Agencies may choose to enter into a limited partnership or subcontract with other agencies in order to provide a full range of services.

Example of an acceptable consortium: Agency "A" provides education and outreach services and Agency "B" provides legal assistance.

Example of an unacceptable consortium: Agency "A" and "B" both offer the same services, but in different areas of the City.

The Rent Board reserves the right to accept or reject any item or group(s) of items of a response/proposal. The Rent Board also reserves the right to waive any informality or irregularity in any proposal. Additionally, the Rent Board may, for any reason, decide not to award an agreement as a result of this RFP or cancel the RFP process. The Rent Board shall not be obligated to respond to any proposal submitted, nor be legally bound in any manner by submission of the proposal. The Rent Board is not required to accept the proposal with the lowest price. Responses will be evaluated to determine the most advantageous proposal based on a variety of factors as discussed herein. The Rent Board reserves the right to negotiate with any or all proposers on cost proposals, assigned staff and program deliverables. If additional funding becomes available, the Rent Board reserves the right to award the additional funding under this RFP as it sees fit.

Statistical information contained in this RFP is for informational purposes only. The Rent Board shall not be responsible for the complete accuracy of said data. The Rent Board reserves the right to verify any information provided during the RFP process and may contact references listed or any other persons known to have contracted with the proposer. The Rent Board reserves the right, without limitation, to execute an agreement with one or more proposers based solely on the proposal and any approved additions, and to enter into a separate agreement with another agency in

ITEM J-1 ATTACHMENT 1

the event that the originally selected proposer defaults or fails to execute an agreement with the Rent Board.

BACKGROUND

The City of Richmond Rent Board was established following voter approval of Measure L in November 2016. The Richmond Rent Board is charged with implementation of the Rent Ordinance. Approximately 20,000 rental units throughout the City of Richmond are covered by the Rent Ordinance, and over 4,000 of these units receive some form of governmental subsidy (e.g. Section 8, Low Income Housing Tax Credit, Section 202, etc.) Additional information about Richmond's rental housing stock and Richmond Rent Program is contained in the 2017-18 Rent Program Annual Report (<http://www.ci.richmond.ca.us/DocumentCenter/View/47014/2017-18-Annual-Report>).

The Rent Ordinance, found in Richmond Municipal Code Section 11.100, and its companion Regulations (<http://www.ci.richmond.ca.us/3476/Laws-and-Regulations>) aims to “promote neighborhood and community stability, healthy housing, and affordability for renters in the City of Richmond by controlling excessive rent increases and arbitrary evictions to the greatest extent allowable under California law, while ensuring Landlords a fair and reasonable return.” To achieve its purported goal, the Rent Ordinance regulates both rents and evictions for those rental units that are covered by the Rent Ordinance's provisions.

Some of the Rent Ordinance's integral provisions do the following: 1) Limits annual rent increases to one hundred percent (100%) of the percentage increase in the Consumer Price index as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the 12 month period ending as of March of the current year; 2) Authorizes both landlords and tenants to submit petitions with the Richmond Rent Program seeking either an additional increase in rent due to a lack of Fair Return or decrease in rent due to an inhabitable premise or decrease in services; 3) Eliminates no cause evictions and requires landlords have at least 1 of the 8 Just Cause basis for eviction as codified in Richmond Municipal Code Section 11.100.050. Just Cause is a provision of law that prohibits landlords from taking any “action to terminate any tenancy, including but not limited to, making a demand for possession of a Rental Unit, threatening to terminate a tenancy verbally or in writing, serving any notice to quit or other eviction notice, or bringing any action to recover possession or be granted recovery of possession of a Rental Unit” unless a landlord pleads and proves a Just Cause basis for the termination of tenancy and compliance with the Rent Ordinance; 4) Prohibits retaliatory evictions and establishes tenants' rights to relocation benefits when facing “no-fault” Just Cause eviction; and 5) Establishes a Rent Board to execute and administer the provisions of the Rent Ordinance through rules, regulations, resolution, contracts, and legal action.

Although the Richmond Rent Program considers the above provisions integral, all of the provisions of the Rent Ordinance are important and must be adhered to. Familiarity with the entire Rent

ITEM J-1 ATTACHMENT 1

Ordinance and accompanying Rent Board Regulations is essential in understanding both the intricacies and interplay between the Rent Ordinance and other existing law.

REQUESTED SERVICES

Through a contract, the Richmond Rent Board seeks to provide funding for legal services to Low Income Richmond Residents for housing related issues in connection with the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, other rent related resolutions, and regulations, rules and policies that the Rent Board adopts. For the purposes of this contact, Low Income shall be defined as those households meeting the definition of Low Income in Contra Costa County as determined by HUD guidelines.² The services must provide the following, at a minimum:

- Provide legal advice and advocacy to qualifying community members, regardless of citizenship status, concerning the rights and responsibilities conferred by the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, Relocation Ordinance, and related policies. Providers shall maintain records of the number of individuals served, the specific types of services provided, and deliverables created on the community member's behalf, and transmit this information to the Rent Program monthly.
- Assist and advise qualifying community members on the completion of Rent Adjustment Petitions, including assembling relevant supporting information and building a strong case for consideration by the Rent Program Hearing Examiner.
- Coordinate with peer legal service providers to provide comprehensive support to qualifying community members to ensure community members in need of services which the applicant is not able to provide, are successfully referred to agencies who are able to provide such services.

² A low income household is defined by HUD as earning at or below 80% of the Area Median Income, calculated based on the Oakland-Fremont, CA HUD Metro FMR Area. For more information, please see <https://www.huduser.gov/portal/datasets/il/il2018/2018summary.odn>.

ELIGIBILITY REQUIREMENTS

All proposers must be a public entity or a non-profit organization 501(c)(3). All non-profit organizations applying for funding must meet the following Organizational Requirements:

1) **Governing Body**

Governing of the organization should be vested in a voluntary Board that meets at least quarterly.

2) **Personnel**

The organization must provide for adequate administration of the services described in this RFP to ensure the delivery of services. The organization must have a designated executive director or equivalent position. If the organization is awarded a contract, the organization must provide a copy of its Personnel Policies and Procedures, which must include policies prohibiting discrimination, conflict of interest, grievances procedures, and affirmative hiring practices.

3) **Non-Discrimination**

Each organization responding to this RFP must assure the Rent Board that it will conduct its business in compliance with the non-discrimination requirements of the City of Richmond, State, and Federal governments, as applicable.

4) **Prohibition of Gifts**

The Rent Board seeks to ensure that it evaluates proposals in a fair and unbiased way. To that end, wherever possible the Rent Board seeks to eliminate actual bias and its semblance. To avoid even the appearance of impropriety and bias, proposers should not offer any gifts or souvenirs, even of minimal value, to Rent Board members or Rent Program Staff members. Any offer of any gift, regardless of the amount, shall constitute a material breach of the Agreement by the successful proposer.

5) **Conflict of Interest**

Each proposer is expected to have a policy or bylaws describing and prohibiting conflicts of interest. Accordingly, each proposer shall avoid all conflict of interest, or appearance of conflict of interest, in performance under contract with the Rent Board. Any proposer that has any conflict or appearance of conflict, including performing services in exchange for consideration for any sitting Board Member, shall report such a conflict in the response to this RFP. Any conflict or appearance of conflict discovered after this contract is awarded, must be immediately reported to the Rent Board.

ITEM J-1 ATTACHMENT 1

6) **Accounting**

Proposers shall maintain accounting records which are in accordance with generally accepted accounting practices.

7) **Insurance**

Proposers must possess liability insurance.

TIMELINE AND PROCESS

The following is the anticipated timeline related to this RFP. Please note that this timeline may be changed if the Rent Board deems it necessary. Any changes will be posted to the Rent Program's website at www.richmondrent.org. In the event of a change, Rent Program staff will notify the proposers via email. The Rent Board will make every effort to adhere to the following anticipated schedule:

PROPOSED DATE	ACTION
Monday, November 19, 2018	Release of RFP
Friday, December 7, 2018, 5:00 PM	Last day to submit questions regarding the RFP; responses to questions received by this date will be posted at www.richmondrent.org
Friday, December 14, 2018, 12:00 PM	Due date for responses to RFP
Week of December 17, 2018	Panel reviews proposals and submits recommendation(s) to Executive Director; Executive Director selects desired agency(ies)
Week of December 31, 2018	Selected agency(ies) is/are notified
Week of January 7, 2019	Agreement is negotiated and executed

DEADLINE TO SUBMIT RFP QUESTIONS

The Richmond Rent Program understands that some may have questions regarding this RFP. Proposers may submit written questions to this RFP via email until 5:00 P.M. on Friday, December 7, 2018. All questions must be emailed to Paige Roosa at paige_roosa@ci.richmond.ca.us. To ensure fairness, the Richmond Rent Program intends to respond to the submitted question through an addendum posted on the Richmond Rent Program's website at www.richmondrent.org. The Richmond Rent Program reserves the right to respond to these questions in a limited fashion or not all. Please note that the Richmond Rent Program does not intend to address specific questions but rather clarify issues regarding the substance of this RFP.

SUBMISSION INSTRUCTIONS

Respondents to this Request for Proposals and Qualifications are required to submit by mail or personal delivery one (1) original and five (5) copies of their proposal no later than **Friday, December 14, 2018, at 12:00 PM** to:

City of Richmond Rent Program
Attn: Paige Roosa
440 Civic Center Plaza, Suite 200
Richmond, CA 94804

The proposals must be in a sealed envelope marked with the respondent's name, address, and telephone number. **No grace period will be allowed for missing components to be submitted. No additional submissions or supplements will be accepted after December 14, 2018. Any application or supplemental information that is late will not be considered. The Rent Program reserves the right to extend the time for receipt of proposals.**

EVALUATION OF PROPOSAL

The Richmond Rent Program will create a Rent Program Legal Services Review Committee to evaluate timely submitted proposals. The Committee will be comprised of Richmond Rent Program staff members. All proposals should provide sufficient and concise information to permit sufficient review and adequate evaluation. Proposals shall be reviewed in three general phases:

1. All proposals will be evaluated based on the proposal submission requirements and criteria.
2. The Rent Program Legal Services Review Committee shall rate and compose a short list of proposers based on the submission requirements and criteria.
3. Fee proposals will be reviewed and evaluated.

ITEM J-1 ATTACHMENT 1

The Richmond Rent Program will adhere to the below criteria when evaluating any and all proposals.

TECHNICAL EVALUATION CRITERIA	ALLOCATED POINTS
<p>Experience with local, state, and federal laws. Demonstrated professional qualifications, education, and training. Must have at least five (5) years of minimum previous experience with local and state tenants and landlord laws. Preference given to those organizations or firms with experience in jurisdictions with rent control/stabilization and/or just cause for eviction policies, as well as agencies familiar with subsidized housing policies and programs.</p>	35
<p>Ability to respond to Rent Program and Richmond community member needs. Demonstrated ability to provide high quality services to a diverse population in the City of Richmond in terms of citizenship status, languages spoken, and financial status. The highest scores will be awarded to those agencies with capacity to provide services within the City of Richmond or in its near vicinity. This category includes the extent to which additional resources will be provided if a contract with the Rent Program is awarded, specifically in terms of the number and titles of staff anticipated to be employed.</p>	35
<p>Demonstrated commitment to producing and measuring outcomes. The selected agency will be required to report monthly to the Rent Program on the number of community members served and a brief description of the assistance provided and outcome (if applicable.)</p>	30

The proposal(s) with the highest score(s) will not automatically be awarded a contract. In making the final selection of organization(s) and funding levels, the Executive Director of the Richmond Rent Program will consider the Committee's scoring, proposers' past performance, if applicable, award amount requested, and the Richmond Rent Board's overall need. The fee proposal, although secondary to the technical evaluation criteria consideration above, will be considered in determining the proposals most advantageous to the Rent Board's goals; however as technical evaluation points become more equal, price may become a determining factor. While the fee proposal has no numerical weight, it is criterion in the overall evaluation of proposals. The fee proposal must be considered reasonable. A contract may be awarded to a proposer who does not submit the lowest fee proposal. The amount to be awarded is in the full discretion of the Executive Director of the

ITEM J-1 ATTACHMENT 1

Rent Program, who will at the very least consider funding availability and the City of Richmond's needs before selecting an amount to award.

NOTICE OF AWARDED CONTRACT

All applicants will be notified via email of the Richmond Rent Board's decision to award a contract to one or more prospective service providers. The notice shall state the name of the organization(s) who was/were awarded the contract, the amount of funds awarded, and the right of any proposer to appeal. Notice of the awarded contract shall be given no later than January 10, 2019. If a proposer chooses to appeal, the appeal must be made in writing and mailed to City of Richmond Rent Program, 440 Civic Center Plaza, Suite 200, Attn: Paige Roosa, Richmond, CA 94804.

All appeals must be submitted within ten days from the date that the Notice of Awarded Contract is emailed to the proposers. The appeal must contain the name, street address, email address, and signature of the person submitting the appeal. The appeal must be based on either 1) abuse of process by members of the Rent Program Legal Services Review Committee; 2) misconduct by members of the Rent Program Legal Services Review Committee; and/or 3) abuse of discretion by members of the Rent Program Legal Services Review Committee. All appeals must be accompanied by competent evidence for adequate disposition. Failure to plead and substantiate one or more of the above allegations will result in the denial of the appeal. The Executive Director will respond to all appeals within 14 business days. The Executive Director's decision is final and there is no further appeal process concerning their decision after it is rendered.

PROPOSAL SUBMISSION REQUIREMENTS AND CRITERIA

The proposal shall include the following:

I. Letter of Interest [750 WORD MAXIMUM]

A cover letter introducing the government entity or non-profit organization, providing organizational details, the amount request, an explanation of the desire to provide services to the Richmond community, and the name, title, address, telephone number, and email of the program contact person.

II. Government Entity or Non-Profit Organization Information

Provide the date the entity or non-profit organization was established and the number of consecutive years the applicant has been providing legal services. Applicant shall also provide the name and address of all municipal organizations or programs to which the applicant is providing legal services in the San Francisco Bay Area and any significant municipal or public entity clients located elsewhere.

III. Organizational Capacity and Experience

- a. Please Describe in detail how you, or your firm/organization will provide services to Tenants and Landlords as well as your, or the firm or organization's expertise and ability to provide services in the following areas:
- i. Tenant and landlord law in the State of California;
 - ii. Applicable Federal and State regulations related to rental housing;
 - iii. Local rent control and just cause for eviction ordinances, including the City of Richmond's Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance;
 - iv. Providing services to diverse populations, in terms of native language, socioeconomic status, race, ethnicity, gender, and religion; and,
 - v. Court and administrative hearing appearances
- b. Please describe your agency's familiarity and ability to serve residents of public housing, tenants with Section 8 Housing Choice Vouchers, residents of Low Income Housing Tax Credit properties, and other subsidized housing programs.

ITEM J-1 ATTACHMENT 1

- c. Provide the names and resumes of any key personnel that will be working directly with the Rent Program, Board, and Richmond community members.

IV. Goals and Outcomes

Please propose the agency's goals with respect to this contract, if awarded. How will you measure your impact?

V. Narrative: Service Approach

Please respond to each of the following questions:

- a. What is your experience serving undocumented immigrants and low income residents with respect to rental housing issues? How would your organization ensure the same level of service regardless of citizenship status?
- b. Describe any limitations or criteria your organization would employ to determine who is eligible to receive legal services (e.g. income limits, citizenship requirements, affiliation, etc.)
- c. If awarded this contact, would your agency allocate funds to hire additional staff and obtain additional resources, as opposed to replying on existing resources?
- d. Does your organization have capacity to translate documents into multiple languages and communicate with Tenants and Landlords in multiple languages?
 - i. If so, please indicate those languages the agency is able to communicate in fluently (orally and/or in writing)

VI. Supporting Documents

Please attach the following information to your proposal:

1. Staff resumes for filled positions, chief administrator, and chief fiscal officers
2. Organizational Chart
3. Program outreach / marketing materials
4. Performance measurement tools (surveys, pre and post-program questionnaires, etc.)
5. Most current Proof of Liability Insurance (all subcontractors must be listed on policy)
6. Articles of Incorporation
7. By-Laws
8. Policy & Procedures Manual (include policies prohibiting discrimination, grievance

- procedures, and conflict of interest)
9. List of Board of Directors (include occupation & years of service as a board member)
 10. Letter from IRS evidencing current 501(c)(3) Tax-Exempt Status
 11. Letter from the Franchise Tax Board evidencing current Tax-Exempt Status.

OTHER TERMS AND CONDITIONS

I. Rent Program Options.

The Rent Program reserves the right to cancel this RFP, or to reject, in whole or in part, any and all proposals received in response to this RFP. The Rent Program, upon its determination, further reserves the right to waive any informality or irregularities in any proposals received, if it is in the public interest to do so. The determination of the criteria and process whereby proposals are evaluated, the decision as to who shall receive a contract award, or whether or not to award, shall be made as a result of the RFP, shall be at the sole and absolute discretion of the Rent Program.

**ITEM J-1
ATTACHMENT 2**

**CITY OF RICHMOND RENT PROGRAM
CONTRACT AMENDMENT**

Department: Rent Program	Project Manager: Nicolas Traylor
Project Manager E-mail: nicolas_traylor@ci.richmond.ca.us	Project Manager Phone No: (510) 620-6564
P.R. No: 21800884-00 Vendor No: 13140	P.O./Contract No: 4160
Description of Services: Provide Eviction Defense Services to Richmond Tenants.	
Amendment No. 1 modifies the: (2 nd or subsequent amendments attach Amendment History page)	
<input checked="" type="checkbox"/> Term and Payment Limit	<input type="checkbox"/> Payment Limit and Service Plan
<input type="checkbox"/> Term and Service Plan	<input type="checkbox"/> Service Plan

The parties to this Contract Amendment do mutually agree and promise as follows:

1. Parties. The parties to this Contract Amendment are the City of Richmond, California Rent Program (City), and the following named Contractor:

Company Name: Eviction Defense Center

Street Address: 350 Frank Ogawa Plaza, Suite 703

City, State, Zip Code: Oakland, Ca. 94612

Contact Person: Anne Tamiko Omura

Telephone: (510) 452-4541

Email: tamiko23@sbcglobal.net

Business License No: 4005-6623 / Expiration Date: February 14, 2019

A California corporation, limited liability corporation general partnership, limited partnership, individual, non-profit corporation, individual dba as [specify:] _____
 other [specify:] _____

2. Purpose. This Contract Amendment is being entered into to amend the Contract between City and Contractor which was approved by the Rent Board or executed by the Executive Director on February 1, 2018, which original term commenced on February 1, 2018 and terminates June 30, 2018 with an original contract payment limit of \$37,500.00. Said contract shall hereinafter be referred to as the "Original Contract" and is incorporated herein by reference.

3. Original Contract Provisions. The parties hereto agree to continue to abide by those terms and conditions of the Original Contract, and any amendments thereto, which are unaffected by this Contract Amendment.

ITEM J-1
ATTACHMENT 2

4. Amendment Provisions. This Contract Amendment is subject to the Amendment Provisions attached hereto, which are incorporated herein by reference, and which control over any conflicting provisions of the Original Contract, or any amendment thereto.

5. City of Richmond Business License Active Status Maintained. Pursuant to Municipal Code Section 7.04.030, the Contractor must maintain its City of Richmond business license for this Contract Amendment to be deemed to be in effect.

6. Insurance Coverage Updated and Maintained. Pursuant to the Original Contract, the Contractor shall provide the City with updated insurance certificates, and the Contractor shall maintain insurance coverage, for this Contract Amendment to be deemed to be in effect.

7. Signatures. These signatures attest the parties' agreement hereto:

CITY OF RICHMOND, CALIFORNIA
Rent Program

CONTRACTOR:

By [Signature] Date: 6-29-18

Title: Executive Director

I hereby certify that the Original Contract and this Amendment have been approved by the Rent Board or executed by the Executive Director.

By [Signature] Date: 7/2/18
Rent Board Clerk

Approved as to form:

By [Signature] Date: 6/29/18
Staff Attorney

List of Attachments:

- 1. Amendment Provisions
- 2. Updated Insurance Certificates

Contract Amendment/EJ/TE 09-26-07

Eviction Defense Center

(*The Corporation Chairperson of the Board, President or Vice-President should sign on the line below.)

By [Signature] Date: 6/15/19

Title: ANNE O'NEILL, CEO + CFO

(*The Corporation Chief Financial Officer, Secretary or Assistant Secretary should sign on the line below.)

By [Signature] Date: 6/15/19

Title: ANNE O'NEILL

(NOTE: Pursuant to California Corporations Code Section 313, if Contractor is a corporation or nonprofit organization, this Contract (1) should be signed by the Chairperson of the Board, President or Vice-President and the Chief Financial Officer, Secretary or Assistant Secretary; (2) should have both signatures conform to designated representative groups pursuant to Corporations Code Section 313.

**ITEM J-1
ATTACHMENT 2**

Contract Amendment between the City of Richmond and

Eviction Defense Center

Amendment No.

1

P.O./Contract No.

4160

AMENDMENT PROVISIONS (TERM, PAYMENT LIMIT AND SERVICE PLAN)

1. Paragraph 2 (Term) of the Original Contract is hereby amended to extend the Contract term. Paragraph 2 of the Original Contract is amended to read as follows:

"2. Term. The effective date of this Contract is

February 1, 2018

(Insert original contract commencement date)

and it terminates

June 30, 2019

(Insert new contract termination date)

unless sooner terminated as provided herein."

2. Paragraph 3 (Payment Limit) of the Original Contract is hereby amended to increase the payment limit by **\$ 75,000.00**. Paragraph 3 of the Original Contract is amended to read as follows:

"3. Payment Limit. City's total payments to Contractor under this Contract as amended shall not exceed **\$ 112,500.00** including expenses."

"The City of Richmond shall not pay for services that exceed the Contract Payment Limit without the prior written approval of the Executive Director if the total Contract amount does not exceed \$10,000 or without the prior approval of the Rent Board if the total Contract amount is over \$10,000."

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**ITEM J-1
ATTACHMENT 3**

**CITY OF RICHMOND RENT PROGRAM
CONTRACT AMENDMENT**

Department: Rent Program	Project Manager: Nicolas Traylor
Project Manager E-mail: nicolas_traylor@ci.richmond.ca.us	Project Manager Phone No: (510) 620-6564
P.R. No: 21800883 Vendor No: 13142	P.O./Contract No: 4140
Description of Services: Provide legal consultation and representation to Richmond Tenants.	
Amendment No. 1 modifies the: (2 nd or subsequent amendments attach Amendment History page)	
<input checked="" type="checkbox"/> Term, Payment Limit and Service Plan	<input type="checkbox"/> Payment Limit and Service Plan
<input type="checkbox"/> Term and Service Plan	<input type="checkbox"/> Service Plan

The parties to this Contract Amendment do mutually agree and promise as follows:

1. **Parties.** The parties to this Contract Amendment are the City of Richmond, California Rent Program (City), and the following named Contractor:

Company Name: Centro Legal de La Raza
 Street Address: 3022 International Boulevard, Ste. 410
 City, State, Zip Code: Oakland, CA. 94601
 Contact Person: Leah Simon-Weisberg
 Telephone: (510) 827-1170 Email: lsimonweisberg@centrolegal.org
 Business License No: 4005-6678 / Expiration Date: February 22, 2019

A California corporation, limited liability corporation general partnership, limited partnership, individual, non-profit corporation, individual dba as [specify:] _____
 other [specify:] _____

2. **Purpose.** This Contract Amendment is being entered into to amend the Contract between City and Contractor which was approved by the Rent Board or executed by the Executive Director on February 1, 2018, which **original** term commenced on February 1, 2018 and terminates June 30, 2018 with an **original** contract payment limit of \$37,500.00. Said contract shall hereinafter be referred to as the "Original Contract" and is incorporated herein by reference.

3. **Original Contract Provisions.** The parties hereto agree to continue to abide by those terms and conditions of the Original Contract, and any amendments thereto, which are unaffected by this Contract Amendment.

ITEM J-1
ATTACHMENT 3

4. Amendment Provisions. This Contract Amendment is subject to the Amendment Provisions attached hereto, which are incorporated herein by reference, and which control over any conflicting provisions of the Original Contract, or any amendment thereto.

5. City of Richmond Business License Active Status Maintained. Pursuant to Municipal Code Section 7.04.030, the Contractor must maintain its City of Richmond business license for this Contract Amendment to be deemed to be in effect.

6. Insurance Coverage Updated and Maintained. Pursuant to the Original Contract, the Contractor shall provide the City with updated insurance certificates, and the Contractor shall maintain insurance coverage, for this Contract Amendment to be deemed to be in effect.

7. Signatures. These signatures attest the parties' agreement hereto:

CITY OF RICHMOND, CALIFORNIA
Rent Program

By [Signature] Date 6-29-18

Title: Executive Director

I hereby certify that the Original Contract and this Amendment have been approved by the Rent Board or executed by the Executive Director

By [Signature] Date 7/2/18
Rent Board Clerk

Approved as to form:

By [Signature] Date 6/29/18
Staff Attorney

List of Attachments:

- 1. Amendment Provisions
- 2. Updated Insurance Certificates

Contract Amendment/EJ/TE 09-26-07

Centro Leal de La Raza

(*The Corporation Chairperson of the Board, President or Vice-President should sign on the line below.)

By [Signature] Date 6/18/18

Title Interim Executive Director

(*The Corporation Chief Financial Officer, Secretary or Assistant Secretary should sign on the line below.)

By: _____ Date _____

Title: _____

(NOTE: Pursuant to California Corporations Code Section 313, if Contractor is a corporation or nonprofit organization, this Contract (1) should be signed by the Chairperson of the Board, President or Vice-President and the Chief Financial Officer, Secretary or Assistant Secretary; (2) should have both signatures conform to designated representative groups pursuant to Corporations Code Section 313.

ITEM J-1
ATTACHMENT 3

Contract Amendment between the City of Richmond and

Centro Legal de La Raza

Amendment No.

1

P.O./Contract No.

4140

AMENDMENT PROVISIONS (TERM, PAYMENT LIMIT AND SERVICE PLAN)

1. Paragraph 2 (Term) of the Original Contract is hereby amended to extend the Contract term. Paragraph 2 of the Original Contract is amended to read as follows:

"2. Term. The effective date of this Contract is

February 1, 2018

(Insert original contract commencement date)

and it terminates

June 30, 2019

(Insert new contract termination date)

unless sooner terminated as provided herein."

2. Paragraph 3 (Payment Limit) of the Original Contract is hereby amended to increase the payment limit by \$ **75,000.00** . Paragraph 3 of the Original Contract is amended to read as follows:

"3. Payment Limit. City's total payments to Contractor under this Contract as amended shall not exceed \$ **112,500.00** including expenses."

"The City of Richmond shall not pay for services that exceed the Contract Payment Limit without the prior written approval of the Executive Director if the total Contract amount does not exceed \$10,000 or without the prior approval of the Rent Board if the total Contract amount is over \$10,000."

3. The Service Plan (Exhibit A) of the Original Contract is hereby amended to include the following tasks and/or services:

Centro Legal de la Raza will be compensated \$6,250 per month and will submit Monthly Status reports and invoices in accordance with Exhibit B. With this funding, Centro Legal de la Raza agrees to provide one hundred and twenty-five legal consultations per year to qualifying tenants related to landlord/tenant issues at its office in Oakland.

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: November 14, 2018

Final Decision Date Deadline: November 14, 2018

STATEMENT OF THE ISSUE: At the April 18, 2018, regularly scheduled Rent Board meeting, several residents from Heritage Park apartments gave comments on rent increases and safety on the property. Chair Gray directed Legal Counsel to address the concerns brought forth by these residents and provide information about the application of the Rent Ordinance to the property. On June 20, 2018, the Rent Board appointed two of its members to an Affordable Housing Ad Hoc Committee to develop a voluntary agreement with affordable housing providers, in conjunction with Rent Program staff. The purpose of this agreement was to limit sudden rent increases in these units and address other concerns raised by Tenants regarding habitability, health and safety issues. After several meetings and discussions with providers and Tenant stakeholders, the Ad Hoc Committee recommends that the Rent Board review and discuss the proposed limit on maximum rent increases for LIHTC units.

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

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

RECOMMENDED ACTION: (1) RECEIVE an update from the Ad Hoc Committee on their efforts to reach an agreement with affordable housing providers to address rent increases and living conditions in Low-Income Housing Tax Credit developments; and (2) DISCUSS proposed strategies to mitigate destabilizing rent increases and address living conditions in Low-Income Housing Tax Credit developments – Rent Program (Nicolas Traylor 620-6564).

AGENDA ITEM NO:
J-2.

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AGENDA REPORT

DATE: November 14, 2018
TO: Chair Gray and Members of the Rent Board
FROM: Affordable Housing Ad Hoc Committee
SUBJECT: AD HOC COMMITTEE REPORT AND RECOMMENDATION

STATEMENT OF THE ISSUE:

At the April 18, 2018, regularly scheduled Rent Board meeting, several residents from Heritage Park apartments gave comments on rent increases and safety on the property. Chair Gray directed Legal Counsel to address the concerns brought forth by these residents and provide information about the application of the Rent Ordinance to the property. On June 20, 2018, the Rent Board appointed two of its members to an Affordable Housing Ad Hoc Committee to develop a voluntary agreement with affordable housing providers, in conjunction with Rent Program staff. The purpose of this agreement was to limit sudden rent increases in these units and address other concerns raised by Tenants regarding habitability, health and safety issues. After several meetings and discussions with providers and Tenant stakeholders, the Ad Hoc Committee recommends that the Rent Board review and discuss the proposed limit on maximum rent increases for LIHTC units.

RECOMMENDED ACTION:

(1) RECEIVE an update from the Ad Hoc Committee on their efforts to reach an agreement with affordable housing providers to address rent increases and living conditions in Low-Income Housing Tax Credit developments; and (2) DISCUSS proposed strategies to mitigate destabilizing rent increases and address living conditions in Low-Income Housing Tax Credit developments – Rent Program (Nicolas Traylor 620-6564).

FISCAL IMPACT:

There is no fiscal impact related to this item at this time.

DISCUSSION:Background

There are approximately 4,283 governmentally-subsidized rental units in Richmond, representing about 20 percent of the city's rental housing stock. Of these, approximately 2,702 receive Low-Income Housing Tax Credits (LIHTC). The maximum rents in LIHTC units are determined annually by the California Tax Credit Allocation Committee (TCAC) based on Area Median Income for the Oakland-Fremont, CA HUD Metro FMR Area, which contains Alameda and Contra Costa counties. The methodology employed by HUD to calculate Area Median Income may not accurately reflect median income for Richmond Tenants, given income disparities between the City of Richmond and Contra Costa County as a whole. It is important to note that historically, annual increases to TCAC maximum rents have averaged between two and three percent (similar to, if not lower than, the percentage applied to Controlled Rental Units). However, between 2016 and 2018, TCAC maximum rents rose nearly 24 percent, due to increases in Area Median Income for Alameda and Contra Costa counties.

On November 15, 2017, the Richmond Rent Board adopted Regulations 202 and 204 (formerly Regulation 17-01) exempting "governmentally subsidized rental units" from the rent control provisions of the Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance (Rent Ordinance). There were three main arguments for exempting governmentally subsidized units. First, such units were already rent-regulated and rent levels are set at below-market levels at the onset of a tenancy. Second, adding another layer of regulation would potentially increase the administrative complexity for a Rent Program still in its early stages of development. Third, most rent control jurisdictions exempt governmentally subsidized units and do so in part to encourage Landlords to rent to low-income Tenants or build affordable housing.

In March 2018, Tenants at multiple LIHTC developments in Richmond received rent increases in of up to 12 percent. Although these increases were permitted by TCAC and followed several years of minimal rent increases, they were around three times what a Tenant in a Controlled Rental Unit could have received. Soon after, around thirty Tenants from the Heritage Park at Hilltop senior development raised concerns about these increases to both the City Council and the Rent Board. They expressed fears that 12 percent rent increases would leave some seniors on fixed incomes homeless and others unable to buy medication or enough food. Subsequently, at its June 20, 2018, meeting, the Rent Board appointed two of its members to an ad hoc committee to develop an agreement with LIHTC providers that would limit rent increases applied in any twelve-month period to Rental Units in LIHTC developments to the lesser of (a) the maximum rent permitted by the State Tax Credit Allocation Committee or (b) the Annual General Adjustment percentage rent increase for that year plus no more than five percent of deferred rent increases. After further conversations with Tenants and providers, the Ad Hoc Committee has prepared proposed amendments to Regulation 204 (Attachment 1).

Key Issues Addressed by the Ad Hoc Committee

The Ad Hoc Committee aimed to resolve two main questions:

(1) Are TCAC’s rent restrictions sufficient to address “rent shock,” particularly in potentially-anomalous years like 2018, when Area Median Income and TCAC maximum rents increased more than 10 percent?

The key purpose of the Rent Ordinance is to “*promote neighborhood and community stability, healthy housing, and affordability for renters in the City of Richmond...*” The Rent Ordinance helps stabilize rents and provides eviction protections in a high-cost housing market. These provisions are aimed at protecting Tenants from displacement caused by “rent shock” or arbitrary evictions, allowing them to benefit from and contribute to Richmond’s improving economy. Although there is no universal definition for “rent shock”, the Rent Board’s standard for “rent shock” is reflected in two ways. First, under the Rent Ordinance, the Annual General Adjustment (AGA) in Controlled Rental Units is restricted to the 100 percent of the Consumer Price Index (3.6 percent for 2018). Second, pursuant to Regulation 602, in cases where a Landlord has not previously taken the allowed rent increases, they are restricted to 5 percent of these deferred or “banked” increases in addition to the AGA in any 12-month period.

While both Controlled Rental Units and LIHTC rental units are regulated by a governmental agency, their regulation processes are different. Unlike the Rent Board, TCAC does not regulate the percentage of rent increases; rather, it regulates the maximum rent an owner may charge, based on Area Median Income and household size. This regulatory scheme lacks limitations on the amount of an increase an owner may take at any one time to reach the TCAC Maximum Rent. Therefore, a Tenant in a LIHTC unit could still experience a large relative rent increase. At their May 2018 meeting, Rent Board members expressed concern that in years when the Area Median Income increases substantially, Tenants living in LIHTC units would not enjoy the same protections from “rent shock” as their counterparts in Controlled Rental Units.¹

(2) Are LIHTC Tenants in Richmond able to successfully assert their rights to safe and habitable living conditions?

The Rent Ordinance also provides Tenants with recourse if they experience a reduction in habitability, services or space. Tenants in Controlled Rental Units can use the Rent Adjustment Petition process to compel Landlords to provide healthy housing that meets local and state habitability standards. Since the Rent Board exempted LIHTC units from the rent control provisions of the Rent Ordinance, these Tenants do not have that option. However, Tenants in LIHTC units are able to participate in Rent Program mediation and can lodge complaints with TCAC. Additionally, providers are all required to provide onsite management and are bound by state law and TCAC regulations to

¹ Around half of the city’s LIHTC units also receive tenant- or project-based Section 8 subsidies. Tenants in those units typically pay no more than 30 percent of their household income to rent and are therefore unlikely to experience “rent shock” in the same way as LIHTC Tenants without such subsidies.

provide units that are safe and habitable. Affordable housing management is charged with responding to Tenant complaints in a timely manner and keeping units in good condition. In fact, LIHTC providers that are not providing safe and habitable housing or are overcharging Tenants can be subject to substantial financial penalties, including the recapture of tax credits in severe cases.

Rent Program staff regularly receives grievances from LIHTC Tenants regarding habitability, safety, and issues getting satisfactory responses from management. While LIHTC Tenants can be empowered to advocate for themselves by learning about their rights after consulting with Rent Program staff, both LIHTC Tenants and providers would benefit from the Rent Program's assistance through its mediation services. In phone calls and meetings, both affordable housing providers and Tenants have indicated their interest in mediation.

Conversations with Stakeholders

After Tenants from Heritage Park and other developments raised concerns to the Rent Program, staff set up a conference call on May 18, 2018, with 13 affordable housing providers to discuss whether or not their exemption from the rent control provisions of the Rent Ordinance could continue to be justified in light of the unusually large rent increases. In early June 2018, six affordable housing providers, representing approximately 63 percent of the deed-restricted units in the City of Richmond, submitted letters to the Rent Program indicating their willingness to limit annual rent increases in LIHTC units as a means to provide better housing stability for LIHTC Tenants. These providers initially proposed a rent increase limit of around 8 percent (Attachment 2).

On August 24, 2018, Rent Program staff met with Tenants and Tenant advocates of affordable housing. At this meeting, many expressed concerns about large rent increases leading to displacement and homelessness, particularly for low-income seniors and others on fixed incomes. Participants argued that an 8 percent rent increase limit, as proposed by affordable housing providers, would amount to a significant financial burden. Instead, the Tenants and advocates proposed a rent increase limit of 2 percent. Rent Program staff relayed these concerns to the affordable housing providers, who agreed to revise their proposal.

On October 15, 2018, providers submitted another letter to the Rent Program Executive Director indicating their willingness to limit their annual TCAC rent increases to no more than 6 percent (Attachment 3). Affordable housing providers argue that the large increases allowed these past two years are an exception and not the rule, as over the last 12 years, TCAC maximum rents have increased on average 2.6 percent.

Conclusion

The Ad Hoc Committee heard the concerns from both the affordable housing providers and Tenants regarding “rent shock” and healthy and safe housing. The Ad Hoc Committee has determined that the best method for engendering healthy, safe and stable housing is to adopt a resolution that formalizes the relationship between the Rent Board and affordable housing providers, and creates a process to review annual increase limits and living conditions in affordable rental units. For LIHTC units to remain exempt from the rent control provisions of the Rent Ordinance, they will need to demonstrate to the Rent Board on an annual basis that the state regulatory system as governed by TCAC adequately effectuates the purpose of the Rent Ordinance.

The Ad Hoc Committee therefore proposes:

- 1) A limit on rent increases in any 12-month period for Tenants in LIHTC units that do not receive a Section 8 subsidy as well;
- 2) A robust mediation process for LIHTC Tenants and providers;
- 3) A designated liaison (Rent Program staff member) who would address unresolved habitability complaints; and
- 4) A requirement that the Rent Program issue an annual report to the Rent Board on the state of affordable housing in Richmond, including but not limited to, rent increases, habitability issues, and eviction patterns. This report would be a key tool for the Rent Board in reviewing whether or not the exemption pursuant to Regulation 202 effectuates the purpose of the Rent Ordinance. This report would include a recommendation to the Rent Board as to whether or not to continue exempting LIHTC units from the rent control provisions of the Rent Ordinance.

DOCUMENTS ATTACHED:

Attachment 1 – Draft Amendments to Regulation 204

Attachment 2 – June 2018 letters from Affordable Housing Providers to Executive Director Nicolas Traylor with initial proposals

Attachment 3 – October 15, 2018 letter from Richmond Affordable Housing Community to Executive Director Nicolas Traylor

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204. Maintaining an Exemption Pursuant to Regulation 202: Compliance with Applicable Laws and Regulations

- A. Notwithstanding Regulation 202, Rental Units described in Regulation 202 shall not be exempt from Section 11.100.070 of the Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance where the property owner has failed to substantially comply with all of the applicable provisions of the Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance, Rent Board Orders, Regulations, and/or Resolutions, as well as the Implied Warranty of Habitability as described in Civil Code 1941.1, and Richmond Municipal Code Section 6.40.040. This includes, but is not limited to, a property owners obligation to comply with the following:
- (1) Timely payment of all owing Residential Rental Housing Fee. For purposes of this provision, a payment shall be considered timely where a property owner remits payment of the Residential Rental Housing Fee within 30 calendar days from the date the Rent Program sends the invoice. Where there is a dispute in the amount owed, payment shall be considered timely where the owner remits payment of the Residential Rental Housing Fee within 30 calendar days from the date the Rent Program sends the amended invoice. However, where the dispute is wholly concerned with assessed late fees, payment shall be considered timely where the owner remits payment of the Residential Rental Housing Fee within 5 calendar days from the date the Rent Program sends the amended invoice or 30 calendar days from the date the Rent Program sent the initial invoice, whichever is later. If a dispute does not result in an amended invoice, payment shall be due within 30 calendar days from the date the Rent Program sent the initial invoice;
 - (2) Payment of the Business License Tax pursuant to Richmond Municipal Code Section 11.100.060(1)(1);
 - (3) Enrollment of all applicable Rental Units pursuant to Regulation 405(B);
 - (4) All of the applicable provisions set forth in Resolution 18-01; and
 - (5) Any and all requirements set forth in any regulatory agreement executed between a developer and/or property owner and a Federal, State, or government entity.
- B. Where Rent Program Staff members have determined a property owner has failed to comply with any of the obligations set forth in Regulation 204(A), Rent Program Staff members shall immediately notify the property owner in writing of the obligation(s) the property owner has failed to satisfy. The written notification must identify the specific obligation(s) the property owner has failed to satisfy and provide the property owner up to 60 calendar days from the date of mailing of the notification to bring itself into compliance with the identified obligation(s). If a property owner fails to timely comply with the obligation(s) identified in the Rent Program Staff member's written notification, Rent Program Staff members may agendize an item of noncompliance for the next regularly scheduled Rent Board meeting. The agenda item shall include an identification of the specific property that has failed to comply, specific findings of noncompliance, a recommendation of the removal of the

ITEM J-2 ATTACHMENT 1

exemption contained in Regulation 202 as it relates to the noncompliant property, and any other information Rent Program staff member(s) deems relevant.

- C. In addition to Regulation 204(A), Rental Units described in Regulation 202 shall not be exempt from Section 11.100.070 of the Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance where there is no longer in effect (a) a tenant with a Section 8 Housing Choice Voucher in the Rental Unit, (b) the Rental Unit is no longer in a Project-Based Section 8 Program, and/or (c) the Rental Unit is no longer rent restricted under a regulatory agreement and/or declaration of restrictive covenants.
- D. Nothing in Regulation 204(A) and/or Regulation 204(B) shall preclude tenants residing in Rental Units described in Regulation 202 from seeking advice or assistance from the Rent Program concerning applicable provisions of the Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance and utilizing the remedies provided in the Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance to the extent permitted by Federal, State, and local law.



Nicolas Traylor
Executive Director
City of Richmond Rent Board
440 Civic Center Plaza, Suite 200
Richmond, CA 94804

June 5, 2018

Re: Affordable Housing Rent Control

Dear Nicholas,

This letter is in response to your request for the City's affordable housing ownership group to propose a plan to protect residents living in restricted affordable developments against "rent shock." As you know, rents for tax credit units are heavily restricted, with some projects having multiple regulatory agreements (TCAC, CDLAC, HUD, etc.), and their annual rent increases are therefore governed by their specific affordability rules. The large 2018 TCAC allowable rent increase was an anomaly and was most likely a catch up for several years with little or no increases. For example, there were no rent increases from 2012 to 2015, a period during which expenses continued to increase, putting a significant financial strain on the City's affordable housing properties. Even a longer period analysis demonstrates that normal TCAC rent increases are extremely fair, as the average annual rent increase for a 1-bedroom unit restricted to 50% AMI occupancy rent was only 2.6% between 2000 and 2017 (Exhibit 1). And please note that not all property owners increased their rents to the 2018 allowable maximum (while those that did might have been forced to due to severe financial obligations caused by the long period of minimal or no rent increases). Therefore, given the variable but reasonable nature of the annual rent increases typically allowed by TCAC, we believe restricted affordable units should continue to be exempt from the "rent control" portion of the City's Fair Rent/Just Cause Ordinance.

In the event that this is not politically possible, we propose the following:

To the extent a Landlord has not increased Rent up to the Maximum Tax Credit Allocation Committee (TCAC) Rent Level, the Landlord shall have the ability to apply deferred rent increases; however, the net rent increase in any one twelve- month period shall not exceed the current year Annual General Adjustment Rent Increase plus five percent (5%) of the Rent charged at any time during the preceding 12-month period.

"Banking" of the TCAC Maximum Rent shall be calculated based on simple addition without compounding. For example, an increase of three percent (3%) plus three-point four percent (3.4%) is equal to a combined increase of six point four percent (6.4%), not six point five percent (6.5%).



ITEM J-2 ATTACHMENT 2

After the TCAC publishes the Maximum Rent Levels for Contra Costa County, representatives of the TCAC financed properties in the City of Richmond will meet with the Richmond Rent Board Staff to discuss the application of the new TCAC Maximum Rent Levels and how they will be applied to TCAC financed properties.

Regardless of the outcome regarding rent control, the City's affordable property owners should not be required to pay the portion of the Annual Rent Board fee associated with Rent Control. Each affordable property already incurs significant costs to comply with their existing rent restrictions and the City's affordable properties cannot afford another fee. The imposition of any such fee simply reduces the resources available for the affordable property owners to properly maintain their properties and provide services to their residents.

Our goal is to provide safe and affordable housing and additional regulations and fees make it difficult to fulfil our mission.

Respectfully submitted,

Steve McElroy
Vice President

cc: Jack Gardner, President

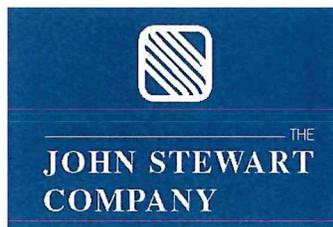


Exhibit 1: Historical 1-Bed 50% AMI Rents

Year	Rent	Growth	Growth (Hold Harmless)	Avg. 2000 to Date
2000	\$633			
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Note: Same percentage increases apply for all unit types and set asides.

Expanding the range of opportunities for all by
developing, managing and promoting quality
affordable housing and diverse communities.



June 6, 2018

Nicolas Traylor
Executive Director,
City of Richmond Rent Board
Via Email

Re: Affordable Housing Rent Control

Dear Nicolas,

This letter is in response to your request for the City's affordable housing ownership group to propose a plan to protect residents living in restricted affordable developments against "rent shock". As you know, rents for tax credit units are heavily restricted with some projects having multiple regulatory agreements (TCAC, CDLA, HUD, etc.) and therefore the annual increase in rents is governed by the property's specific affordability rules. The large 2018 TCAC allowable rent increase was an anomaly. There were **no** rent increases from 2012 to 2015 while expenses continued to increase, putting a significant financial strain on the City's affordable housing properties. A longer period analysis demonstrates that the normal TCAC rent increases are extremely fair, as the average 1 bedroom 50% AMI rent increase between 2000 and 2017 was only 2.6% (Exhibit 1). Also, not all property owners increased rents to the 2018 maximum allowed and others might have been forced to process the maximum rent increases due to severe financial obligations caused by the long period of minimal or no rent increases. Therefore, given the variable but reasonable nature of the annual rent increases allowed by TCAC, we believe restricted affordable units should continue to be exempt from the "rent control" portion of the City's Fair Rent/Just Cause Ordinance. In the event this is not possible, we propose the following:

To the extent a Landlord has not increased Rent up to the Maximum Tax Credit Allocation Committee (TCAC) Rent Level, the Landlord shall have the ability to apply deferred rent increases; however, the net rent increase in any one twelve- month period shall not exceed the current year Annual General Adjustment Rent Increase plus five percent (5%) of the Rent charged at any time during the preceding 12-month period.

"Banking" of the TCAC Maximum Rent shall be calculated based on simple addition without compounding. For example, an increase of three percent (3%) plus three-point four percent (3.4%) is equal to a combined increase of six point four percent (6.4, not six point five percent (6.5%).

After the TCAC publishes the Maximum Rent Levels for Contra Costa County, representatives of the TCAC financed properties in the City of Richmond will meet with the Richmond Rent Board Staff to discuss the application of the new TCAC Maximum Rent Levels and how they will be applied to TCAC financed properties.

ITEM J-2 ATTACHMENT 2

Regardless of the outcome regarding rent control, the City's affordable property owners should not be required to pay the portion of the Annual Rent Board fee associated with Rent Control. Each affordable property already incurs significant costs to comply with their existing rent restrictions and the City's affordable properties cannot afford another fee.

Our goal is to provide safe and affordable housing and the additional regulations and fees make it difficult to fulfil our mission.

Respectfully submitted,

Mary Murtagh
President and CEO

ITEM J-2 ATTACHMENT 2

Nicolas Traylor
Executive Director
City of Richmond Rent Board
440 Civic Center Plaza, Suite 200
Richmond, CA 94804

June 5, 2018

Re: Affordable Housing Rent Control

Dear Nicholas,

This letter is in response to your request for the City's affordable housing ownership group to propose a plan to protect residents living in restricted affordable developments against "rent shock". As you know, rents for tax credit units are heavily restricted with some projects having multiple regulatory agreements (TCAC, CDLA, HUD, etc.) and therefore the annual increase in rents is governed by the property's specific affordability rules. The large 2018 TCAC allowable rent increase was an anomaly and was most likely a catch up for several years with little or no increases. For example, there were no rent increases from 2012 to 2015 while expenses continued to increase putting a significant financial strain on the City's affordable housing properties. Even a longer period analysis demonstrates that the normal TCAC rent increases are extremely fair as the average 1 bedroom 50% AMI rent increase between 2000 and 2017 was only 2.6% (Exhibit 1). Also, not all property owners increased rents to the 2018 maximum allowed and others might have been forced to process the maximum rent increases due to severe financial obligations caused by the long period of minimal or no rent increases. Therefore, given the variable but reasonable nature of the annual rent increases allowed by TCAC, we believe restricted affordable units should continue to be exempt from the "rent control" portion of the City's Fair Rent/Just Cause Ordinance. In the event this is not possible, we propose the following:

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ITEM J-2 ATTACHMENT 2

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Respectfully submitted,



Sydne Garchik
MRK Partners
Owners of Cypress and Monterey Pines

Exhibit 1: Historical 1-Bed 50% AMI Rents

Year	Rent	Growth	Growth (Hold Harmless)	Avg. 2000 to Date
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Note: Same percentage increases apply for all unit types and set asides.

ITEM J-2 ATTACHMENT 2

Nicolas Traylor
Executive Director
City of Richmond Rent Board
440 Civic Center Plaza, Suite 200
Richmond, CA 94804

June 11, 2018

Re: Affordable Housing Rent Control

Dear Nicholas,

This letter is in response to your request for the City's affordable housing ownership group to propose a plan to protect residents living in restricted affordable developments against "rent shock". As you know, rents for tax credit units are heavily restricted with some projects having multiple regulatory agreements (TCAC, CDLA, HUD, etc.) and therefore the annual increase in rents is governed by the property's specific affordability rules. The large 2018 TCAC allowable rent increase was an anomaly and was most likely a catch up for several years with little or no increases. For example, there were no rent increases from 2012 to 2015 while expenses continued to increase putting a significant financial strain on the City's affordable housing properties. Even a longer period analysis demonstrates that the normal TCAC rent increases are extremely fair as the average 1 bedroom 50% AMI rent increase between 2000 and 2017 was only 2.6% (Exhibit 1). Also, not all property owners increased rents to the 2018 maximum allowed and others might have been forced to process the maximum rent increases due to severe financial obligations caused by the long period of minimal or no rent increases. Therefore, given the variable but reasonable nature of the annual rent increases allowed by TCAC, we believe restricted affordable units should continue to be exempt from the "rent control" portion of the City's Fair Rent/Just Cause Ordinance. In the event this is not possible, we propose the following:

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ITEM J-2 ATTACHMENT 2

Our goal is to provide safe and affordable housing and the additional regulations and fees make it difficult to fulfil our mission.

Respectfully submitted,



Alan Bogomilsky
Klein Financial Corporation (KFC)
KFC is Part Owner - Westridge at Hilltop Apartments

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ITEM J-2 ATTACHMENT 2

Nicolas Traylor
Executive Director
City of Richmond Rent Board
440 Civic Center Plaza, Suite 200
Richmond, CA 94804

June 5, 2018

Re: Affordable Housing Rent Control

Dear Nicholas,

This letter is in response to your request for the City's affordable housing ownership group to propose a plan to protect residents living in restricted affordable developments against "rent shock". As you know, rents for tax credit units are heavily restricted with some projects having multiple regulatory agreements (TCAC, CDLA, HUD, etc.) and therefore the annual increase in rents is governed by the property's specific affordability rules. The large 2018 TCAC allowable rent increase was an anomaly and was most likely a catch up for several years with little or no increases. For example, there were no rent increases from 2012 to 2015 while expenses continued to increase putting a significant financial strain on the City's affordable housing properties. Even a longer period analysis demonstrates that the normal TCAC rent increases are extremely fair as the average 1 bedroom 50% AMI rent increase between 2000 and 2017 was only 2.6% (Exhibit 1). Also, not all property owners increased rents to the 2018 maximum allowed and others might have been forced to process the maximum rent increases due to severe financial obligations caused by the long period of minimal or no rent increases. Therefore, given the variable but reasonable nature of the annual rent increases allowed by TCAC, we believe restricted affordable units should continue to be exempt from the "rent control" portion of the City's Fair Rent/Just Cause Ordinance. In the event this is not possible, we propose the following:

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ITEM J-2 ATTACHMENT 2

Our goal is to provide safe and affordable housing and the additional regulations and fees make it difficult to fulfil our mission.

Respectfully submitted,



Paul Kudirka
Fairfield Residential
Owner of Baycliff Apartments

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ITEM J-2 ATTACHMENT 3

Nicolas Traylor
Executive Director
City of Richmond Rent Board
440 Civic Center Plaza, Suite 200
Richmond, CA 94804

October 15, 2018

Re: Affordable Housing Rent Control

Dear Nicholas,

This letter is in response to your request for the City's affordable housing ownership group to revise our proposal to protect residents living in restricted affordable developments against "rent shock" during years with abnormally high TCAC allowable rent increases. As discussed on September 26th, there are multiple factors leading to our original rent cap proposal of an 8% annual increase but we were willing to get together as a group to see if we would be comfortable bringing this down without creating future financial burdens for our properties.

After ownership review, **we are now willing to accept a 6% annual rent cap** and feel strongly that this is both a fair concession and where all our groups need to end up in order to not create an undue financial burden on our properties or the residents for the following reasons:

- As you know, rents for tax credit units are heavily restricted with some properties having multiple regulatory agreements (TCAC, CDLA, HUD, etc.) and therefore the annual increase in rents is governed by the property's specific affordability rules. The large 2018 TCAC allowable rent increase was an anomaly and was a catch up for several years with little or no increases. For example, there were **no** rent increases from 2012 to 2015 while expenses continued to increase at our properties (utilities, wages, etc.), putting a significant financial strain on our properties and the City's affordable housing stock. Even a longer period analysis demonstrates that the normal TCAC rent increases are extremely fair as the average 1 bedroom 50% AMI rent increase between 2000 and 2017 was only 2.6% (Exhibit 1). *Limiting to less than 6% will prevent the affordable communities from effectively catching up to expenses after multiple years of flat or minimal increases.*
- As tenants are feeling the pressure from rent shock, property owners are dealing with a similar pressure from abnormal increases in expenses. Utilities, personnel wages, repairs and maintenance, and general contracts continue to rise. For example, since 2004, PG&E has had an average annual increase of 5%, which as you can see from Exhibit A outpaces the annual average of affordable rent increases over the same time period. Further restricting our ability to make up these costs could eventually cause a financial strain and erode the quality of the affordable housing stock that strongly contributes to the Richmond community.

TCAC properties in particular are structured to provide a level of rent stability for the residents while their income increases. Rents are set at 30% of a particular Area Median Income (AMI), but a resident's income can increase without their rent increasing. Thus, a resident paying the rent for the 50% AMI can be making income that is 55% of the AMI and still only pay the rent of 30% of the 50% AMI. This allows residents to increase their disposable income and receive the full benefit of their increased income without a portion of it going to rent. We recognize that we have residents who are on a more fixed

ITEM J-2
ATTACHMENT 3

income structure, such as seniors on Social Security Income, and this is the primary group that has responded to the large increases allowed by TCAC. We acknowledge a need to take their concerns into consideration as well and are willing to voluntarily accept a 6% maximum cap on annual increases, but as stated above, our properties need to keep pace with rising costs for utilities and services.

Our goal is to provide safe and affordable housing and a critical component for achieving that goal is to have sufficient income at the property to pay staff and vendors to maintain the property.

Respectfully submitted,

Richmond Affordable Housing Community

Exhibit 1: Historical 1-Bed 50% AMI Rents

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