



REGULAR MEETING OF THE RENT BOARD OF THE CITY OF RICHMOND

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

Wednesday, December 19, 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.

REGULAR 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 PRESENTATION – BILLING AND REGISTRATION UNIT

F. AFFORDABLE HOUSING UPDATE

G. PUBLIC FORUM

H. RENT BOARD CONSENT CALENDAR

H-1. APPROVE the minutes of the November 14, 2018, Special Meeting of the Richmond Rent Board. *Cynthia Shaw*

H-2. RECEIVE letters from community members regarding the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, RMC 11.100. *Cynthia Shaw*

H-3. RECEIVE the November 2018 Rent Program Monthly Report. *Paige Roosa*

I. STUDY AND ACTION SESSION

I-1. (1) DISCUSS City of Richmond adopted and proposed housing-related ordinances; (2) DIRECT Rent Program staff to meet with City staff for the sole purpose of ascertaining the requested services from the Rent Program; and (3) REPORT back to the Rent Board in January with an update. *Chair David Gray*

- I-2.** 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. ***This item was continued from the November 14, 2018, meeting.***

*Nicolas Traylor
Paige Roosa
Magaly Chavez*

J. REPORTS OF OFFICERS

K. 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: December 19, 2018

Final Decision Date Deadline: December 19, 2018

STATEMENT OF THE ISSUE: The minutes of the November 14, 2018, Special 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

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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: APPROVE the minutes of the November 14, 2018, Special Meeting of the Richmond Rent Board – Rent Program (Cynthia Shaw 620-5552).

AGENDA ITEM NO:

H-1.

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RICHMOND, CALIFORNIA, November 14, 2018

The Special Meeting of the Richmond Rent Board was called to order at 5:04 P.M.

PLEDGE TO THE FLAG

ROLL CALL

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

Absent: None.

STATEMENT OF CONFLICT OF INTEREST

None.

AGENDA REVIEW

Item G-2 was removed from the Consent Calendar to be discussed after approval of the Consent Calendar.

Item J-2 was moved from Rent Board as a Whole for discussion after Item G-2 under Study and Action Session.

DEPARTMENT UNIT PRESENTATIONS – FRONT OFFICE AND HEARINGS UNITS

Administrative Aide Michelle Arriaga presented on the duties of the Rent Program Front Office.

Hearing Examiner Paul Cohen presented an update on the Rent Program Hearings Unit.

PUBLIC FORUM

Cordell Hindler requested an amendment to his comment in the September minutes to correct the name of the organization he mentioned to the Richmond Neighborhood Coordinating Council. He also invited the Rent Board to attend community events that will be held during the months of November and December. He reported that he has reached out to other neighborhood councils on their interest in learning about Rent Control, and that he is awaiting a response.

Iiona Clark expressed concerns about the creditability of the Rent Program and its budget. She expressed that since the Boardmembers are up for reappointment in a few months, she feels the Rent Program should be audited by an independent auditor. She also expressed that she mentioned an audit of the Rent Program to Executive Director Nicolas Traylor and he agreed with her. She also expressed concerns about how the Staff Monthly Report statistics are reported with regard to the number of termination of tenancy notices filed with the Rent Program. She also expressed concern regarding the process for uploading the notices on to the website and how the number of days for submitting the notices online is calculated. Specifically, she stated that she feels holidays should not be considered in this calculation. She also feels that a “Three Day Notice to Pay Rent or Quit” should not be considered a termination of tenancy and should not be included in the monthly report as such. She also feels that if the notices are counted as such, the data is incorrect.

Eviction Defense Center Attorney Lauren Russo gave comments about Rent Program staff referrals. She mentioned that there are approximately 12 tenants referred by Rent Program staff to their office per month, and that this is in addition to 20 new clients a month served by the EDC who do not receive referrals from the Rent Program. She also gave comments on her experience working with Richmond tenants and mentioned that of the termination of tenancy notices she has seen, approximately 90% were defective and shouldn’t stand judicial scrutiny. She expressed concerns about unrepresented parties and commended the Rent Program on their efforts to educate the community about tenant rights and just cause for eviction requirements. She expressed that more needs to be done in regards to educating the community and judges on Just Cause for Eviction and Rent Control in Richmond.

RENT BOARD CONSENT CALENDAR

On motion of Chair Gray, seconded by Vice Chair Gerould, the item(s) marked with an (*) were approved by the unanimous vote of the Rent Board:

*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.**

G-2. The matter to receive letters from community members regarding the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, RMC 11.100, was

presented by Vice Chair Gerould. Discussion ensued. No action was taken.

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

*G-4. Receive the October 2018 Rent Program Monthly Report.

STUDY AND ACTION SESSION

J-2. The matter to 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 discuss proposed strategies to mitigate destabilizing rent increases and address living conditions in Low-Income Housing Tax Credit developments was presented by Executive Director Nicolas Traylor and Rent Program Services Analyst Philip Verma. The presentation included a statement of the issue, Low Income Housing Tax Credit (LIHTC) background information, the purpose of the Ad Hoc Committee, results of conversations with stakeholders, findings on “Rent Shock,” findings on safety and habitability in LIHTC units, the proposal by the Ad Hoc Committee, and the recommended action. Discussion ensued. The following individuals gave comments: Melvin Willis, James Daniels, Ana Ore, Elsa Stevens, Stephen Heninger, Debra Harkness, Linda Hudson, Sheila Norflis, Marion Laurant, Elaine Dockens, Steve McElroy, Herman Hudson, Marilyn (no last name given), Jennifer Wood, Tim Kinnicutt, Alan Bogomilsky, and Bryan Russell. No action was taken.

H-1. A motion by Chair Gray, seconded by Vice Chair Gerould, to continue the matter to receive Tenant Buyout Agreement Policy Options and direct staff to present the Rent Board’s selected policy option during a study session at a meeting of the City of Richmond City Council and work with City staff to develop a Buyout Agreement Ordinance to the December 19, 2018 meeting, passed by the following vote: **Ayes:** Boardmembers Combs, Finlay, Maddock, Vice Chair Gerould and Chair Gray. **Noes:** None. **Abstentions:** None. **Absent:** None.

REGULATIONS

I-1. The matter to adopt amendments to Regulation 602 to clarify the banking provisions of the Regulation, where Landlords

may apply up to 5% of deferred rent increases in a twelve-month period, and establish the utilization of a compound interest formula, rather than a simple interest formula, in the calculation of the Maximum Allowable Rent was presented by Executive Director Nicolas Traylor. The presentation included a statement of the issue, background on the banking regulation, proposed amendments to clarify the banking provisions of Regulation 602, an overview of the compounding vs. simple interest issue, a summary of why compounding interest should be used, and the recommended action. Discussion ensued. A motion by Chair Gray, seconded by Boardmember Finlay, to adopt amendments to Regulation 602 to clarify the banking provisions of the Regulation, where Landlords may apply up to 5% of deferred rent increases in a twelve-month period, and establish the utilization of a compound interest formula, rather than a simple interest formula, in the calculation of the Maximum Allowable Rent, passed by the following vote: **Ayes:** Boardmembers Combs, Finlay, Maddock, Vice Chair Gerould and Chair Gray. **Noes:** None. **Abstentions:** None. **Absent:** None.

I-2. The matter to 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, was presented by Executive Director Nicolas Traylor. The presentation included a statement of the issue, background and purpose of the proposed amendment to Regulation 842, and the recommended action. Discussion ensued. A motion by Boardmember Finlay, seconded by Chair Gray, to 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, passed by the following vote: **Ayes:** Boardmembers Combs, Finlay, Maddock, Vice Chair Gerould and Chair Gray. **Noes:** None. **Abstentions:** None. **Absent:** None.

RENT BOARD AS A WHOLE

J-1. The matter to 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), was presented by Deputy Director Paige Roosa. The presentation included a statement of the issue, the definition of “Qualifying Richmond Residents,” background information, service review of the Eviction Defense Center, service review of Centro Legal de la Raza, the proposed reissuance of an RFP for legal services, and the

recommended action. Discussion ensued. A motion by Vice Chair Gerould, seconded by Boardmember Combs, to 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), passed by the following vote: **Ayes:** Boardmembers Combs, Finlay, Maddock, Vice Chair Gerould and Chair Gray. **Noes:** None. **Abstentions:** None. **Absent:** None.

REPORTS OF OFFICERS

Executive Director Nicolas Traylor gave a brief report on the success of the Community Workshop series on handling difficult Tenant and Housemate situations, held on October 20, 2018, and November 10, 2018. He also complimented staff members Ramona Howell and Moises Serano on their great work with establishment of the Billing and Registration Unit. He also complimented staff members Paul Cohen and Cynthia Shaw on their great work in the Hearings Unit.

ADJOURNMENT

There being no further business, the meeting adjourned at 8:56 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: December 19, 2018

Final Decision Date Deadline: December 19, 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"/> 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:
H-2.

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ITEM H-2
ATTACHMENT 1

Elaine Dockens, Apt F204
3815 Lakeside Drive
Richmond, CA 94806
November 18, 2018

Angie Monges
Regional Manager
USA Multifamily Management

Dear Angie Monges:

Your Open Letter to all Residents at Heritage Hilltop apologized for the way resident management handled the power outage on October 27 – 28, 2018. Thank you for your attention to the incompetent management and thank you for the apology for their incompetence.

You say that "our presence on site during the situation should have been *more visual* and *more involved*." [emphasis added.] In your sentence the word "more" implies "some," which is incorrect. There was *zero visibility* and *zero involvement*. Corey was seen off site by a resident during the outage and when Rasheeda became aware of the problem, a resident said that *she left the property*. We were left alone without resident managers. Attention to our concerns was met instead by local community responders, especially the Richmond Fire Department and the Red Cross.

After the outage, the resident manager held a meeting and only discussed personal responsibility – Get a Kit, Make a Plan, Be Informed, and Get Involved. This was excellent information. However, we received no answer to the question of what management was going to do. Yet there is lot for management to do, including but not limited to, keeping the exit lights working, ordering generators and putting them in place, etc.

To use your words, "looking at the situation in hindsight," I conclude that this total failure of resident management is a predictable result waiting to happen. **The question is why was there such a total failure of resident management?**

My answer is that this problem scenario is due to the total failure of Corporate Management to

- (1) to hire resident manager(s) with education and experience in managing a senior age population property,
- (2) to train resident manager(s) to USA Multifamily standards. Did the assistant manager leave the property because she hasn't been trained by her employer to handle emergency situations in a senior facility?
- (3) to follow up to insure that procedures are being implemented correctly, and

(4) to conduct individual customer service reviews on an annual basis. Even Macy's and Chase bank ask their customers to review employee performance.

If Corporate Management had conducted an annual review of resident management performance, by asking the residents, they would have learned, among other things,

- (1) no fire drill in over two years
- (2) no plan shared with immobile residents to exit in an emergency
- (3) no discernable fairness in the allocation of parking spaces
- (4) no fairness in allocating garden spaces, some have two spaces others have none
- (5) renting an apartment unfit for human habitation due to, but not limited to, a visible and active ant infestation and a filthy toilet,
- (6) locking the Community Room at 10 pm, too early for many seniors
- (7) both resident managers show no understanding of the special concerns of seniors and show no sense of kindness or caring
- (8) LITEC documents allow one resident manager, yet Upper Management allowed a senior to be deprived of a Heritage apartment by renting to a non senior, unqualified person
See <http://www.usapropfund.com/communities/heritage-park-hilltop/> (One resident manager, 191 senior residents, total 192)
- (9) The resident manager purchasing new office furniture and unnecessarily repaving the parking lots instead of purchasing exit lights that work in an emergency or generators to supply power
- (10) I play the piano and asked to have the piano tuned over a year ago and was promised that another piano was coming to replace that one – I'm still waiting.
- (11) Both resident managers speak to us with disdain and a clear lack of respect for our intelligence and common sense
- (12) No management plan to assist residents with limited mobility to exit apartments or to make neighbors aware of how they can help

Angie, I want to thank you in advance for the "light refreshments." I'm sure we'll enjoy them. But please understand, our safety and very lives could depend upon how Corporate Management solves the systemic problems here at Heritage Park. Was any resident harmed by management incompetence this time? What about the next emergency?

We are waiting to see if this meeting is a "band-aid" to cover up and move on, OR, if you will take the time to stop, listen, learn what the problems are, acknowledge them, and then take actual, honest steps to solve them.

**ITEM H-2
ATTACHMENT 1**

Dockens, pg 3 of 3

With high expectations,



Elaine Dockens

22ebd01@gmail.com

312-927-4607



<https://www.linkedin.com/company/usa-properties-fund-inc.>
<https://www.facebook.com/USAPropertiesFund>



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Heritage Park at Hilltop

[OVERVIEW](#)

[FLOORPLANS](#)

[SITEMAP](#)

[DIRECTIONS](#)

[COMMUNITY DETAILS](#)

Facts and Figures on Community Development

COMMUNITY TYPE Acquisition 2003

DEVELOPMENT TYPE 3 Story Corridor Surface Parked

DEVELOPMENT PARTNERS
 Riverside Charitable Corporation
 Contra Costa County Community Development
 Richmond Community Redevelopment Agency
 SunAmerica
 Bank of New York (BNY)

ARCHITECTS N/A

FINANCING N/A

DEVELOPMENT FINANCING 4% LIHTC (Tax Credits) with Tax Exempt Bonds

1 Bedroom	2 Bedroom	Affordability & Unit Mix	Area Median Income
155	36	191 Units	60%
	1	1 Units	Manager's Units
		192 Total Units	
		5.80 Acres	33.10 Units per Acre

[Acquisitions@USAPropFund.com \(mailto:Acquisitions@USAPropFund.com\)](mailto:Acquisitions@USAPropFund.com)

HERITAGE PARK AT HILLTOP

3811 Lakeside Drive
 Richmond, CA 94806

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November 16, 2018

To: All Heritage at Hilltop Residents
From: Angie Monges, Regional Manager
RE: Power Outage

I would like to take this opportunity to reach out all the residents of Heritage Park at Hilltop and apologize for the manner in which the power outage on October 27-28 was handled by the staff at Heritage Park at Hilltop.

Although Heritage Park at Hilltop or our staff had no control of the power outage, how we responded to the situation could be improved upon. Our presence on site during the situation should have been more visual, and more involved. This action would have given you, our residents a better sense of safety.

Looking at the situation in hindsight we have been able to look at what we can improve upon and have started to make efforts to ensure that if this situation arises again, the onsite staff is better trained on how to deal with the emergency.

I would like to invite you to join me in a resident meeting to discuss the steps we are taking in emergency preparedness along with being able to discuss any other concerns you may have at Heritage Park at Hilltop. **This meeting will be held in the Community Room at 1pm on Tuesday, November 20th. Light refreshments will be served.** I look forward to seeing you there.

Sincerely,

Angie Monges
Regional Manager

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From: Nicolas Traylor
Sent: Monday, November 19, 2018 10:44 AM
To: Ilona Clark; Paige Roosa; Rent Control; David Gray; Lauren Maddock; Nancy coombs; Tom Butt - external; Ben Choi; Melvin Willis; Eduardo Martinez; Jael Myrick; Ada Recinos
Subject: RE: Rent Program Credibility and Accountability

Hi Ilona,

Thank you for your email. You raise a number of important points, all of which Rent Program staff are discussing and will bring before the Board as it is appropriate.

Please feel free to contact me should you have any questions or require additional information.

Thank you,

Nicolas Traylor

Executive Director- City of Richmond Rent Program
510-620-6564
nicolas_traylor@ci.richmond.ca.us
www.richmondrent.org | [Subscribe to the Rent Program Email List](#)

From: Ilona Clark [mailto:in70clark@gmail.com]
Sent: Saturday, November 17, 2018 8:02 AM
To: Nicolas Traylor; Paige Roosa; Rent Control; David Gray; Lauren Maddock; Nancy coombs; Tom Butt - external; Ben Choi; Melvin Willis; Eduardo Martinez; Jael Myrick; Ada Recinos
Subject: Rent Program Credibility and Accountability

To the rent board and staff,

As stated in the most recent rent board meeting, an independent audit of the program is necessary to give accountability and transparency. Given that your budget has grown to almost \$3 million and that this board is up for reappointment in a few short months arranging for such an audit is required to maintain minimal standards of accountability

3 day warning notices are not termination notices. If Oakland's example is anything to go by, over 95% of these warning notices go no further. The debt is paid, the breach is corrected and no-one is interested in calling it an eviction notice except you. Rent Program staff cites 292 "Termination notices for non-payment of rent" during a single month. This is merely the number of times that particular box is checked on your website. Calling them termination notices appears designed to portray housing providers as termination happy and thus promote a negative image of housing providers. It is a gross overstatement of the termination/eviction issue. And it undermines the accuracy and credibility of your data. Housing providers should not be required to check this box in order to file required forms. Staff should use accurate terms, not smears; and your system should be designed to collect accurate data.

Finally, the staff report enumerates the number of calls and visits to your office. However the

**ITEM H-2
ATTACHMENT 3**

mission of your program is to keep rent levels low and to prevent displacement. How is that going? How do you measure these outcomes? Every time I ask about the promised rent registry I am put off. Please gather and share your information on housing trends in Richmond. This is vital to your mandate.

Ilona Clark
AURHP.org

Sent from my phone please excuse typos and the sins of spell check!

Lauren Fisher
3811 Lakeside Dr. #C310
Richmond CA 94886
November 18, 2018

Vice Mayor Melvin Hillis
440 Civic Center Plaza
Richmond CA 94804

Dear Vice Mayor Hillis,

I have been a resident at Heritage Park at Hilltop since September 2013. There are numerous and serious issues concerning our health, safety and security.

There had several power outages recently and there is no plan for evacuation, generator, lighting, etc. in place. Our gates & building entrances need electricity, and our elevators too. There are residents in wheelchairs, many use walkers and have mobility issues. Some are on oxygen and other

medical equipment that needs electricity.

I've had several wild fires in recent years causing hazardous air quality for weeks. There is no protocol to close the windows in the common areas or fans and smoke abatement equipment. The smell of smoke lingers in the hallways. I've called our management every time this happened and asked them to close the windows. The windows were closed, but opened again the following day when there was still very poor and dangerous air quality. I have been sick due to the smoke with headaches, cough, burning eyes and irritated lungs.

There has been many incidents of vandalism and theft and nothing is being

Close to protect us and our property. Last month someone tampered with my car and tried to steal, my catalytic converter leaving my car inoperable. In July 2018 my car window was smashed in and also two other residents. We were parked in our gated parking lot. Others had their car locks broke and there have been several cars stolen from our lot.

Our security gates have been broken several times and it takes months before they are repaired. Residents or guests put rocks or things in the doors to keep them open. We have asked for security cameras, better lighting and a security officer and nothing has been done.

All of our elevators were malfunctioning, people got stuck in them. I was in them several times when they jolted, bounced and shifted sharply. This was very scary and caused my already high blood pressure to spike elevated for hours. I reported these incidences to management. The elevator certificates were expired for over a year. Finally, I believe the problems were fixed.

There are other safety issues too. A washing machine/s in the C building laundry room leaks onto the floor causing a slipping hazard. It's still not fixed after a few years. There is a huge walnut tree by the rear parking lot and walnuts all over the ground and in the rain gutter. Old walnuts are toxic to wildlife.

Probably eats the walnuts and the tree should be removed. There are a few residents that don't put their dogs on a leash and they poop and pee in the walkways and in the halls. It's gross and should not be allowed.

I've had many problems getting maintenance requests done. My refrigerator was malfunctioning for 6 weeks, ruining my food and finally was replaced when I threatened to withhold my rent. It took several times to fix my stove top and it was dangerous. The wire caught fire on the burner element. Our smoke detectors batteries only get replaced when the alarm goes off and batteries are dead. I can't do it myself and have to wait for maintenance to respond while the ear piercing

Alarm goes on continuously.

There are a few residents with mental health issues.

They yell and are very disruptive. One lady has weekly rants and can be heard from my apartment and she's in building A. She screams about murdering people. I've called 911 when it happens and have discussed it with our Manager, Corey Haller, and nothing is being done to help her or protect us.

There are many men who loiter on Lakeside Drive, drinking alcohol, smoking weed and sit in their cars on the street all day and night. One man lives in his car. He has attacked 2 residents, he smashed my car with his fist and appeared to be on crack. They also sell drugs and I've

seen the exchange of drugs and money several times. There were several times a man, "Jerry" was passed out in front of our gated and the ambulance was called. He is the one living in his car and his Mom lives here. Our management and the Richmond P.D. are aware of these issues.

Our management and owners are not taking responsibility for these matters that affect our quality of life. Our tenants rights are being violated. We are a vulnerable group of seniors with health and chronic pain issues. It's not easy or practical both physically or financially to move. I have felt depressed and hopeless about these conditions.

We desperately need your help so that positive changes will be made.

Thank you for your time,
efforts and understanding.

I may be contacted at
510-734-2743 or email:
reenie369@gmail.com

Sincerely,

Lauren J. Lee

ITEM H-2 ATTACHMENT 5

From: Nicolas Traylor
Sent: Thursday, November 29, 2018 9:38 AM
To: herterb@aol.com
Cc: Rent Control; Paige Roosa; Magaly Chavez
Subject: Attn: [Boardmembers(s) re eviction of 19 units in Richmond

Dear Mark Pope,

I saw your email this morning. First of all, I'm sorry about what you are having to go through. The Rent Program Services Analyst you spoke with yesterday, Magaly Chavez referred your case to me right after you and her spoke. My understanding is that she advised you of your right to file a petition with the Rent Board for Permanent Relocation monies, since you and other Tenants are facing possible displacement. Depending on the circumstances (i.e. if the Landlord raised your rent over the last 3 years (above that which was allowable), you may also have a claim for rent overcharges. Magaly also advised you that she would refer your case to the Eviction Defense Center and that you may want to seek private counsel. I've contacted the Eviction Defense Center and am awaiting their reply to see if they can take the case. I am also asking staff today to find out more about the "red-tag" of the property and how it will possibly impact you and the other Tenants. In the meantime, I would be happy to discuss the situation with you in more detail and provide you with as much information about your rights as I can. One other option that Magaly says she advised you about was the possibility of formal mediation with the Landlord (and perhaps the City) to resolve issues. Let me know if that sounds like something you wish to explore. I look forward to hear from you soon. Thanks,

Nicolas Traylor

Executive Director- City of Richmond Rent Program

510-620-6564

nicolas_traylor@ci.richmond.ca.us

www.richmondrent.org | [Subscribe to the Rent Program Email List](#)

-----Original Message-----

From: MARK POPE [mailto:herterb@aol.com]
Sent: Wednesday, November 28, 2018 7:46 PM
To: Rent Control
Subject: Attn: [Boardmember(s) re eviction of 19 units in Richmond

Hello

I and 18 other units of tenants are being evicted in Richmond through no fault of our own and all the rent board has to say to us is go hire a lawyer? Some of us are over 62 and some are disabled and dying and that's all you do?

ITEM H-2 ATTACHMENT 5

Mark Howe the landlord of 401 1st St. Has been caught on multiple occasions renting the 2nd floor offices out as living quarters and nothing happens to him. The Richmond building department did not even make him remove the unpermitted additions of bathrooms and kitchens the first time he was caught over 4 years ago. Richmond Police department was told he was renting out these units for living space years ago but kept his secret.

Mark Howe said he's converting commercial space into a 4 bedroom apartment at his other location on Chesley. He said it was legal but I was told it is not legal either.

He should be fined and forced to pay the back rent fees to the rent program for these unlisted units.

Now homeless senior citizen
Mark Pope
415 724-0680
Herterb@aol.com

Sent from my iPad

To the owners of USA PROPERTIES AND REGIONAL
MANAGER ANGIE MONGES. LET ME INTRODUCE
MYSELF. MY NAME IS VINCENT J. JUSTIN AND I AM A
2YR. RESIDENT OF HERITAGE PARK APTS. HILLTOP
RICHMOND, CA. BLDG. 3801 LAKESIDE DR. # A-316. ON
SAT., OCTOBER 27th APP. 3AM. WE HAD A POWER
OUTAGE IN THE ENTIRE COMPLEX. I CALLED P.G.&E
(PACIFIC GAS AND LIGHT CO.) AND GOT A
RECORDED MESSAGE SAYING THAT "WE ARE
AWARE OF THE OUTAGE DUE TO UNDERGROUND
DAMAGE TO THEIR EQUIPMENT AND THE PROBLEM
WOULD BE RESOLVED. AROUND 6AM AND STILL NO
POWER. WELL AT ABOUT 10:30AM I THEN CALLED
OFFICE MANAGEMENT TO LEAVE A MESSAGE
ABOUT IF THEY HAD ANY INFORMATION ON HOW
LONG THE OUTAGE WOULD BE. NO ONE EVER GOT
BACK TO ME. I ALSO CALLED PG&E AGAIN AND GOT
ANOTHER RECORDED MESSAGE THAT GAVE ME A
LATER TIME OF 1PM. SO WE TENANTS WAITED AND
WAITED. BY APP. 2PM. I CALLED MY FAMILY AND
TOLD THEM THAT WE HAD A POWER OUTAGE THAT

STARTED AT APP.3AM.THEY WERE VERY CONCERNED ABOUT THIS ISSUE AND WANTED ME TO COME AND STAY WITH THEM UNTIL THE SITUATION WAS RESOLVED.IT WAS STARTING TO GET DARK AROUND 5:30PM SO MY DAUGHTER AMBER DECIDED TO COME OVER AND BY THE TIME SHE GOT HERE IT WAS DARK.PEOPLE BEGAN TO GATHER INTO THE COMMUNITY ROOM.THE RICHMOND,CA.FIRE DEPT. ALSO ARRIVED AND THE RED CROSS CAME LATER.BUT BY THAT TIME (EVEN THOUGH I AM DISABLED) MY DAUGHTER AND I DECIDED TO TO THE 99 CENT STORE AND WAL-MART TO GET SOME FLASHLIGHTS AND BATTERIES FOR THE PEOPLE THAT DIDN'T HAVE THEM.I'M NOT GOING TO BLAME MANAGEMENT BECAUSE ALL NEGLIGENT AND POTENTIALLY DANGEROUS SITUATIONS START FROM THE TOP.THE PROPERTY OWNERS.MY DAUGHTER AND I (ALONG WITH OTHER CONCERNED TENANTS) ALSO DECIDED TO GO AROUND KNOCKING ON DOORS (THE RED CROSS CAME LATER) TO SEE IF ANYONE NEEDED

3

FOOD OR FLASHLIGHTS AND FOUND ONE ELDERLY GENTLEMAN TRYING TO LIGHT A KEROSENE LANTERN WITH MATCHES!!! HE SAID "I COULDN'T GET THE MATCHES TO LIGHT".MY DAUGHTER AND I SAID GOOD!!! AT THE SAME TIME AND I TOOK THE LANTERN AWAY FROM HIM! I WANT TO SUM THIS SITUATION UP BY SAYING THAT WE TENANTS FEEL THAT IT WAS A GROSS BREACH OF TRUST BY THE PROPERTY OWNERS OF THE TENANTS AS IT SHOULDN'T HAVE TAKEN THAT LONG TO GET A RESPONSE FROM MANAGEMENT AND/OR THE PROPERTY OWNERS.WE'RE THE ONES THAT HELP PUT FOOD ON YOUR TABLES AND CLOTHING ON YOUR BACK AND PAY THE BILLS THAT YOU HAVE.I WOULD ALSO LIKE TO KNOW IF THERE IS A BACK UP GENERATOR THAT YOU HAVE IN PLACE THAT WASN'T ACTIVATED.I ALSO WANT MY DAUGHTER AND I TO BE RE-IMBURSED ANY FUNDS THAT WE SPENT TOWARDS HELPING OUR COMMUNITY.I WILL PRODUCE THE RECEIPTS UPON REQUEST AS I MISPLACED ONE OF THEM AND I AM STILL LOOKING

④

FOR IT THANKYOU VERY MUCH FOR YOUR
COOPERATION IN THIS MATTER AND WE TENANTS
HOPE AND PRAY THAT THIS WILL NEVER HAPPEN
AGAIN.SINCERELY,MR.JUSTIN.

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: December 19, 2018

Final Decision Date Deadline: December 19, 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> | |

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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 November 2018 Rent Program Monthly Report - Rent Program (Paige Roosa 620-6537).

AGENDA ITEM NO:

H-3.

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MEMORANDUM

TO: Chair Gray and Members of the Rent Board

FROM: Paige Roosa, Deputy Director

DATE: December 19, 2018

SUBJECT: NOVEMBER 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).

November Department Highlights

Rent Program staff assembled and mailed over 1,800 tailored Property Enrollment and Tenancy Registration form packets, and made the necessary preparations to mail the remaining approximately 2,500 packets in the month of December.

Staff members continued to work diligently during the month of November on the comprehensive Property Enrollment and Tenancy Registration project. City of Richmond IT Department staff members have been and continue to be instrumental in the development of the online billing, Property Enrollment, and Tenancy Registration systems. Forms are expected to be completed by property owners and returned to the Rent Program no later than January 14, 2019, to provide staff members with ample time to process the submitted information and issue FY 2018-19 Rental Housing Fee invoices during the winter months (January – March).

Rent Program staff members presented at an Atchison Village Mutual Homes Corporation meeting to educate residents on the basics of Rent Control and Just Cause for Eviction in Richmond.

On November 13, 2018, Executive Director Nicolas Traylor and Deputy Director Paige Roosa presented to members of the Atchison Village Mutual Homes Corporation on the application of the Rent Ordinance to Atchison Village residents. The presentation contained information about the Maximum Allowable Rent, Just Cause for Eviction requirements in the City of Richmond, Property Enrollment, Tenancy Registration, fee payment, and notice filing requirements for property owners, and services provided by the Rent Program. Participants had



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many questions about the information presented, and staff members continued to consult with residents and Atchison Village legal counsel in the weeks following the meeting to foster a shared understanding of how the Rent Ordinance applies to tenancies at Atchison Village.

UC Berkeley Public Service Center administrators visited the Rent Program office to learn about the Rent Program Department and the projects with which two Rent Program team members have been involved.

Since August, the Rent Program team has had the opportunity to work with two UC Berkeley undergraduate students participating in the Public Service Center Internship (PSI) program who chose the Rent Program as their internship site. The PSI program connects students with Bay Area social justice issues through internships that focus on policy, community organizing, or direct service. Students intern for 8-10 hours a week for the academic year and enroll in a



field studies course for units. Student interns also meet as a cohort throughout the year to build leadership and professional skills and explore social change strategies. On November 14, 2018, administrators of the UC Berkeley Public Service Internship Program toured the Rent Program office and met with Rent Program staff to learn about the mission and goals of the Rent Program, as well as the contributions of the Rent Program's PSI student interns. More information about the PSI program is accessible at

<https://publicservice.berkeley.edu/programs/public-service-internship>.

The November Community Workshop, titled "How to Handle Difficult Housemate Situations," provided information and guidance to Tenants regarding how to address conflicts.

The November Community Workshop was attended by 13 community members, who gained insights and tips about how to address difficult issues that may arise between Tenants in group living situations. Executive Director Nicolas Traylor conducted a presentation on the Rent Ordinance and its requirements, policies regarding replacement roommates, the eviction process and lawful rent levels as it relates to Master Tenants and Subtenants, tips for communicating with housemates when issues arise, how to handle returning security deposits in rotating housemate situations, a summary of "best practices" for housemate communication, and the potential to address issues through the mediation process. 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>.

Summary of Activities

I. Department Unit Activities

FRONT OFFICE UNIT	<i>Occurrences</i>
Persons Assisted By Front Office Unit (without referral to an Analyst)	355
Declarations of Exemption Processed	5
Enrollment Forms Entered into Database	23
Invoices Generated	2
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	492
Hard Copy Termination Notices Processed	15
Hard Copy Rent Increase Notices Processed	10

PUBLIC INFORMATION UNIT	<i>Occurrences</i>
Total Consultations Provided by a Rent Program Services Analyst	539
Calls Received (Phone Counseling Sessions)	286
Walk-Ins (Includes Appointments)	136
Emails Received	117
Total Consultations Provided in a Language other than English	53
Consultations Provided in Spanish	52
Consultations Provided in Cantonese	1
Legal Service Referral Forms Completed	8
Informal Mediations Conducted	6
Formal Mediations Held	2
Courtesy Compliance Letters Mailed	9
Invoices Generated	22
Community Workshop Attendees (11/10/18 How to Handle Difficult Housemate Situations - Tenant Oriented)	13
Tenants Assisted	44
Landlords Assisted	39
Property Managers Assisted	2
Prospective Buyers Assisted	3

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BILLING AND REGISTRATION UNIT/COMPLIANCE UNIT	<i>Occurrences</i>
Enrollment/Tenancy Registration Packets Mailed	1,816
Enrollment Forms Processed	83
Tenancy Registration Forms Processed	66
Invoices Generated	149
Payments/Checks Processed	16
Property Information Updated	40
Payments Returned	2
Refunds Issued	0
Phone Call Consultations	32
Walk-In Consultations	2
Email Consultations	18
Total Revenue Collected Between 11/01/18 - 11/30/18	\$50,400
FY 17/18 Revenue Collected between 11/01/18 - 11/30/18	\$4,459
Total FY 17/18 Revenue Collected	\$2,074,791
Monthly FY 18/19 Revenue Collected between 11/01/18 - 11/30/18	\$45,941
Total FY 18/19 Revenue Collected	\$522,836
Compliance Actions (Reviewing records, exemption status, owner addresses, etc.)	122

LEGAL UNIT	<i>Occurrences</i>
Ellis Termination Notices Reviewed	1
Owner Move-In Eviction Notices Reviewed	4

HEARINGS UNIT	<i>Occurrences</i>
Total Landlord Petitions Received	1
Requests for Administrative Determination of Exempt Status Received	1
Total Tenant Petitions Received	4
Excess Rent or Failure to Return Security Deposit Petitions Received	1
Decrease in Space or Services, Deterioration, Habitability Petitions Received	1
Tenant Petition Based on Multiple Grounds	1
Tenant Petition for Failure to Pay Relocation Payment Petitions Received	1
Total Other Petitions/Submissions Received	3
Request for a Continuance of the Hearing Process	2
Request to Expedite Hearing Process	1

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HEARINGS UNIT (continued)	Occurrences
Total Number of Cases Closed	5
Decisions Ordered	2
Cases Settled	1
Cases Mediated	1
Petitions Withdrawn	1
Total Number of Calls/Walk-Ins/Emails	51
Calls/Placed Received (Regarding Hearings and Petitions)	13
Walk-Ins (Regarding Hearings and Petitions)	4
Emails Sent/Received (Regarding Hearings and Petitions)	34

II. Online 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	11	7	57.1%
Change in Terms of Tenancy Notices Filed	14	7	100.0%
Rent Increase Notices Filed	81	184	-56.0%
Termination Notices Filed ¹	489	299	63.5%
<i>Applicable Just Cause for Eviction – Nonpayment of Rent</i>	459	292	57.2%
<i>Applicable Just Cause for Eviction – Breach of Lease</i>	23	6	2.8%
<i>Applicable Just Cause for Eviction – Nuisance</i>	3	1	200.0%
<i>Applicable Just Cause for Eviction – Owner Move-In</i>	3	0	N/A
<i>Applicable Just Cause for Eviction – Withdrawal from the Rental Market</i>	1	0	N/A
Agent Authorization	3	4	-25.0%
Proof of Permanent Relocation Payment Form	0	1	-100.0%
Total Online Form Submissions/Notices Filed	598	502	19.1%

¹ Note: Termination Notices filed with the Rent Program does not indicate the number of Unlawful Detainer (eviction) lawsuits filed in court. In some cases, the Tenant may cure the issue for the notice (e.g. Tenant pays the rent that is due) and the eviction process is not initiated.

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: December 19, 2018

Final Decision Date Deadline: December 19, 2018

STATEMENT OF THE ISSUE: Collaboration between Richmond Housing Authority, City staff, and stakeholders is needed to streamline the implementation process of the City's housing ordinances, two of which are in draft form.

INDICATE APPROPRIATE BODY

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

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|---|--|--|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| <input type="checkbox"/> Public Hearing | <input 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: (1) DISCUSS City of Richmond adopted and proposed housing-related ordinances; (2) DIRECT Rent Program staff to meet with City staff for the sole purpose of ascertaining the requested services from the Rent Program; and (3) REPORT back to the Rent Board in January with an update – Rent Board Chair (David Gray 620-5552).

AGENDA ITEM NO:

I-1.

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AGENDA REPORT

DATE: December 19, 2018

TO: Members of the Rent Board

FROM: Chair David Gray

SUBJECT: PROPOSED COLLABORATION WITH THE RICHMOND RENT BOARD, CITY OF RICHMOND, AND RICHMOND HOUSING AUTHORITY TO IMPLEMENT HOUSING ORDINANCES TO PROTECT RICHMOND RESIDENTS

STATEMENT OF THE ISSUE:

Collaboration between Richmond Housing Authority, City staff, and stakeholders is needed to streamline the implementation process of the City's housing ordinances, two of which are in draft form.

RECOMMENDED ACTION:

(1) DISCUSS City of Richmond adopted and proposed housing-related ordinances; (2) DIRECT Rent Program staff to meet with City staff for the sole purpose of ascertaining the requested services from the Rent Program; and (3) REPORT back to the Rent Board in January with an update – Rent Board Chair (David Gray 620-5552).

FINANCIAL IMPACT OF RECOMMENDATION:

While there is no fiscal impact at this time, implementation of additional ordinances may require Richmond Rent Program staff time. For the Richmond City Council's consideration, City of Richmond and Rent Program staff shall work together to update the Reimbursement Agreement between the City of Richmond and Rent Program to ensure that Rent Program staff time can be reimbursed as deemed appropriate by both parties to ensure fair and equitable housing policy development and implementation.

DISCUSSION:

In December of 2016, the Richmond City Council adopted the Fair Chance Access to Affordable Housing Ordinance (20-16) in order to address the unmet housing needs of formerly incarcerated individuals. The ordinance ensures equal opportunity for applicants with past criminal convictions. Providers of affordable housing (defined as

ITEM I-1

any entity that owns, manages, leases or develops housing that has received city, state, or federal funding, tax credits or other subsidies) cannot deny a prospective tenant solely on the basis of the applicant's criminal history.

In September of 2018, a coalition of nonprofit organizations proposed two ordinances for the Richmond City Council's consideration. These ordinances aim to promote greater health equity for all Richmond residents, helping to alleviate the housing crisis, ensure fair and equal housing access, and promote housing affordability.

The Source of Income Anti-Discrimination Ordinance - Would prevent landlords from explicitly refusing to rent to applicants on Section 8 or holders of the Housing Choice Voucher. This ordinance would maximize the utilization of housing assistance programs by further ensuring safeguards to existing rights of tenants from discrimination based on their source of income, or use of other rental subsidies.

The Reusable Tenant Screening Report Ordinance - Would require landlords to accept verified and secure third party tenant screening reports provided by the tenants during the housing application process. This would allow renters to use a single verified background report on rental applications as many times as needed within a 30 day period instead of paying the background check fee with each housing application.

City staff has reviewed both ordinances and requested legal opinions from the City Attorney's Office. However, if the ordinances are to be implemented and enforced by the Rent Program staff, the Rent Program staff needs to be actively engaged in drafting the ordinances. In collaboration with stakeholders, proposed next steps including hosting at least one Study Session with the Rent Board to provide an overview of draft ordinances and implementation strategies. It is anticipated that these ordinances and staffing plans, as well as any other required policy direction, will return to the City Council and Rent Board for consideration by January 2019. Accordingly, it would be prudent for the Rent Program staff to become involved now.

DOCUMENTS ATTACHED:

Attachment 1: Fair Chance Access to Affordable Housing-Ordinance

Attachment 2: Signed Reimbursement Agreement between the City of Richmond and Rent Program

Attachment 3: Source of Income Anti-Discrimination Ordinance – DRAFT

Attachment 4: Reusable Tenant Screening Report Ordinance - DRAFT

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RICHMOND
REQUIRING PROVIDERS OF PUBLIC OR SUBSIDIZED HOUSING TO
ENSURE EQUAL OPPORTUNITY FOR HOUSING APPLICANTS WITH
PAST CRIMINAL CONVICTIONS

The Council of the City of Richmond do ordain as follows:

Section I. Amendment of Article VII of the Richmond Municipal Code

Article VII of the Municipal Code of the City of Richmond is hereby amended to add Chapter 7.110. Chapter 7.110 shall read as follows:

Chapter 7.110

FAIR CHANCE ACCESS TO AFFORDABLE HOUSING

Sections:

- 7.110.010 Title**
- 7.110.020 Authority**
- 7.110.030 Findings**
- 7.110.040 Procedure for Use of Criminal History Information in Housing Decisions**
- 7.110.050 Professional Audit Advisory Committee**
- 7.110.060 Notice and Posting Requirements for Housing Providers**
- 7.110.070 Implementation and Enforcement**
- 7.110.080 Records to Be Maintained**
- 7.110.090 Confidentiality**

7.110.010 Title

This Ordinance shall be known as the “Fair Chance Access to Affordable Housing Ordinance”.

7.110.020 Authority

This Ordinance is adopted pursuant to the powers vested in the City of Richmond under the laws and Constitution of the State of California and the City Charter.

7.110.030 Findings

- (a) The City of Richmond is committed to equity, dignity, and public health.

- (b) The unmet housing needs of formerly incarcerated people in Richmond are an acute challenge to the dignity, public health, and equal opportunity for this population and the broader community.
- (c) A survey of 100 formerly incarcerated Richmond residents found that only fifty-three percent (53%) had stable housing three to eighteen months after their release.
- (d) Research has found that access to housing reduces recidivism, and the lack of housing can be a significant barrier to successful reintegration after incarceration.
- (e) Several cities, including Urbana, Illinois; Madison, Wisconsin; New York, New York; San Francisco, California; Newark, New Jersey; and Seattle, Washington have passed policies that restore rights and remove barriers to housing for people with past criminal convictions.
- (f) On or about April 4, 2016, the United States Department of Housing and Urban Development issued the “Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions” in which it states that “Policies that exclude persons based on criminal history must be tailored to serve the housing provider’s substantial, legitimate, nondiscriminatory interest and take into consideration such factors as the type of the crime and the length of the time since conviction.”
- (g) It has been documented by service providers providing assistance to formerly incarcerated residents in Richmond and national researchers that significant first source housing for people coming out of incarceration is publicly subsidized affordable housing. {See Corinne Carey, *No Second Chance: People with Criminal Records Denied Access to Public Housing*, 36 University of Toledo Law Review 545; Caterina Gouvis Roman and Jeremy Travis, Urban Institute, *Taking Stock: Housing, Homelessness and Prisoner Re-Entry* (2004); and *Every Door Closed: Barriers Facing Parents With Criminal Records*, CLASP and CLS Report (Chapter 3, “Criminal Records and Subsidized Housing: Families Losing the Opportunity for Decent Shelter”).}
- (h) Richmond service providers and national researchers have documented barriers to access to publicly subsidized affordable housing faced by formerly incarcerated residents. {See Corinne Carey, *No Second Chance: People with Criminal Records Denied Access to Public Housing*, 36 University of Toledo Law Review 545; Caterina Gouvis Roman and Jeremy Travis, Urban Institute, *Taking Stock: Housing, Homelessness and Prisoner Re-Entry* (2004); and *Every Door Closed: Barriers Facing Parents With Criminal Records*, CLASP and CLS Report (Chapter 3, “Criminal Records and Subsidized Housing: Families Losing the Opportunity for Decent Shelter”).}
- (i) The City of Richmond General Plan states in the Health and Wellness Element under Policy HW8.4 Inmate Re-Entry and Transition that a goal of the city is to “Support re-entry, transition and integration of former prison inmates and parolees into the community.”
- (j) The City’s Health in All Policies Strategy states that “through a targeted and concerted effort across all city departments, we can make an impact on reducing and eliminating many preventable stressors while at the same time enhancing the many assets and resources that already exist in Richmond to support human health.”

- (k) Homelessness is a critical issue in Richmond, and formerly incarcerated people are disproportionately affected by homelessness.
- (l) Not having a home can prevent a formerly incarcerated person from getting a job, from visiting with his or her children, and from fulfilling other needs that are fundamental to reintegrating with community after incarceration.
- (m) Mass incarceration is a national crisis, and restoring the rights of people affected by mass incarceration is a national priority.
- (n) The United States incarcerates more than twenty-five percent (25%) of the world's prisoners while the country comprises only five percent (5%) of the world's population.
- (o) The City of Richmond has shown a consistent interest in removing barriers faced by people coming home from incarceration, by helping establish the Reentry Success Center and adopting policies like the city's "Ban the Box" ordinance (14-13 N. S.), which removed barriers to employment.
- (p) The City of Richmond, primarily through the Richmond Housing Authority, owns, manages, and/or subsidizes various types of publicly subsidized housing, including Project-based Section 8 units, Section 202 senior housing, Public Housing units, tax-credit financed affordable housing, and housing rented with Section 8 vouchers.
- (q) Formerly incarcerated Richmond residents have done extensive research, community engagement, and program and policy development.
- (r) Research and community engagement by the Safe Return Project has identified a policy gap in the city's treatment of housing providers and their consideration of past convictions that has generated unfair and harmful barriers to housing for people with past convictions.

7.110.040 Definitions

For the purposes of this Article, the following words and phrases shall mean and include:

- (a) "Adverse Action" in the context of housing shall mean to evict, fail or refuse to rent or lease real property to an individual, or fail or refuse to continue to rent or lease real property to an individual, or fail or refuse to add a household member to an existing lease, or to reduce any tenant subsidy. The adverse action must relate to real property in Richmond.
- (b) "Affordable housing" means any residential building in Richmond that has received City, State, or Federal funding, tax credits, or other subsidies connected in whole or in part to developing, rehabilitating, restricting rents, subsidizing ownership, or otherwise providing housing for extremely low income, very low income, low income, and moderate income households.
- (c) "Appeal Hearing Body" shall mean a body authorized by the City Manager or City Council to receive and decide on appeals related to this ordinance and determine any corrective action.

- (d) “Arrest” shall mean a record from any jurisdiction that does not result in a conviction and includes information indicating that a person has been questioned, apprehended, taken into custody or detained, or held for investigation by a law enforcement, police, or prosecutorial agency and/or charged with, indicted, or tried and acquitted for any felony, misdemeanor or other criminal offense.
- (e) “Background Check Report” shall mean any criminal history report, including but not limited to those produced by the California Department of Justice, the Federal Bureau of Investigation, other law enforcement agencies, courts, or by any consumer reporting or tenant screening agency.
- (f) “Conviction” shall mean a record from any jurisdiction that includes information indicating that a person has been convicted of a felony or misdemeanor, provided that the conviction is one for which the person has been placed on probation, fined, imprisoned or paroled.
- (g) “Conviction History” shall mean information regarding one or more convictions or unresolved arrests, transmitted orally or in writing or by any other means, and obtained from any source, including but not limited to the individual to whom the information pertains and a Background Check Report.
- (h) “Directly-Related Conviction” shall mean that the conduct for which the person was convicted has a direct and specific negative bearing on the safety of persons or property, given the nature of the housing, and includes one or more of the following: any conviction where state or federal law prohibits the applicant from being eligible for the public housing; any conviction for a crime carried out in the applicant’s home or on the premises where the applicant lived; or any conviction that leads to the applicant becoming a lifetime registered sex offender.
- (i) “Evidence Of Rehabilitation or Other Mitigating Factors” may include, but is not limited to, a person’s satisfactory compliance with all terms and conditions of parole and/or probation; employer recommendations; educational attainment or vocational or professional training since the conviction; completion or active participation in rehabilitative treatment; and letters of recommendation from community organizations, counselors or case managers, teachers, community leaders or parole/probation officers who have observed the applicant since his or her conviction; and the age of person at the time of the conviction. Successful completion of parole, probation, mandatory supervision, or Post Release Community Supervision shall create a presumption of rehabilitation.
- (j) “Housing Provider” shall mean any entity that owns, master leases, manages, or develops Affordable Housing in the City. Any agent, such as a property management company, that makes tenancy decisions on behalf of the above described entities shall also be considered a “Housing Provider.”
- (k) “Inquire” shall mean any direct or indirect conduct intended to gather information from or about an applicant, candidate potential applicant or candidate, or employee, using any mode of communication, including but not limited to application forms, interviews, and background check reports.

7.110.050 Procedures for Use of Criminal History Information in Housing Decisions

- (a) Regarding applicants and individuals applying to be added to a lease for Affordable Housing, and their household members, a Housing Provider shall not, at any time or by any means, inquire about, require disclosure of, or if such information is received, base an Adverse Action in whole or in part on:
 - (1) An Arrest not leading to a Conviction;
 - (2) Participation in or completion of a diversion or a deferral of judgment program;
 - (3) A Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative, by way of example but not limitation, under California Penal Code §§ 1203.4 or 1203.4a, or 1203.1.
 - (4) A Conviction or any other determination or adjudication in the juvenile justice system, or information regarding a matter considered in or processed through the juvenile justice system;
 - (5) A Conviction that is more than two years old, the date of the Conviction being the date of sentencing; or
 - (6) Information pertaining to an offense other than a felony or misdemeanor, such as an infraction.

- (b) The Housing Provider shall not require applicants, and individuals applying to be added to an existing lease, for Affordable Housing to disclose on any housing application the fact or details of any Conviction History or any matter identified in subsections (a)(1)-(6) above. Nor shall the Housing Provider inquire on any housing application about the fact or details of any Conviction History or any matter identified in subsections (a)(1)-(6) above.

- (c) The Housing Provider shall not require applicants, and individuals applying to be added to an existing lease, for Affordable Housing to disclose, and shall not inquire into, Conviction History until the Housing Provider has first:
 - (1) Determined that the applicant is qualified to rent the housing unit under all of the Housing Provider's criteria for assessing applicants except for criteria related to potential past criminal convictions; and
 - (2) Provided to the applicant a conditional lease agreement that commits the unit to the applicant as long as the applicant passes the Conviction History review.

- (d) If and when the Housing Provider requests written consent from the applicant to obtain a background check record of Conviction History, the Housing Provider must also request consent to share the Conviction History record with the applicant and with the City of Richmond (for the purposes of an appeal only), and must offer the applicant an opportunity to provide Evidence of Rehabilitation or Other Mitigating Factors related to convictions within the previous two years.

- (e) In reviewing Conviction History and making a decision related to Affordable Housing based on Conviction History, a Housing Provider shall conduct an individualized assessment, considering only convictions that warrant denial based on state and federal law, and considering the time that has elapsed since the Conviction, whether it

is a Directly-Related Conviction, and any evidence of inaccuracy or Evidence of Rehabilitation or Other Mitigating Factors.

- (f) If a Housing Provider intends to base an Adverse Action related to Affordable Housing on an applicant's or household member's Conviction History, prior to the Adverse Action, the Housing Provider must follow the following steps:
- (1) Notify the applicant of the prospective Adverse Action, providing in written form the following:
 - a. The type of housing sought;
 - b. A copy of the background check;
 - c. For each item of criminal history relied upon, why the Housing Provider believes it has a direct and specific negative bearing on the landlord's ability to fulfill his or her duty to protect the public and other tenants from foreseeable harm;
 - d. What bearing, if any, the time that has elapsed since the applicant's or household member's last offense has on the Housing Provider's decision;
 - e. What evidence the Housing Provider has received from the applicant or household member that shows rehabilitation or mitigation;
 - f. The name and telephone number of the city staff member who the applicant may contact if he or she believes the Housing Provider has violated this Ordinance.
 - (2) Within fourteen (14) calendar days of receiving the notice and Background Check report, the applicant can file for an appeal with the Appeal Hearing Officer. If the applicant files for an appeal, he or she must notify the Housing Provider during the same 14 day period. If the applicant does not file an appeal within 14 days, the Housing Provider can carry out the Adverse Action.
 - (3) Upon receiving an appeal application, the Appeal Hearing Officer must hold a hearing and decide whether to uphold the Housing Provider's decision within ten (10) calendar days of receiving an appeal application.
 - (4) The Housing Provider shall delay any Adverse Action and shall hold the unit open during the time of the appeals process.

7.110.060 Notice and Posting Requirements for Housing Providers

- (a) The Housing Provider shall state in all solicitations or advertisements for the rental or lease of Affordable Housing or on behalf of the Housing Provider that the Housing Provider will consider for tenancy qualified applicants with Conviction History in a manner consistent with the requirements of this Ordinance.
- (b) It shall be unlawful for any Housing Provider to produce or disseminate any advertisement related to Affordable Housing that expresses, directly or indirectly, that any person with an arrest or conviction record will not be considered for the rental or lease of real property or may not apply for the rental or lease of real property, except as required by local, state, or federal law.
- (c) The City shall publish and make available to Housing Providers, in English, Spanish, and all languages spoken by more than five percent (5%) of the City's population, a notice suitable for posting that informs applicants for Affordable Housing of their rights under this Ordinance.

(d) Housing Providers shall post the notice prominently on their website and at any location under their control that is frequently visited by applicants or potential applicants for the rental or lease of Affordable Housing in Richmond. The notice shall contain the following information:

- (1) A description of those parts of a Conviction History that may not be considered by the Housing Provider under any circumstances (e.g., convictions older than two years);
- (2) A description of the restrictions and requirements of this Act;
- (3) The definition of Evidence of Rehabilitation and Other Mitigating Factors and the timeline under which the applicant or potential applicant has a right to provide such evidence;
- (4) How an individual may report a violation of this Ordinance.

7.110.070 Implementation and Enforcement

- (a) The Ordinance will take effect six months from the date of the passage of the Ordinance. In the six month time period prior to implementation, Housing Providers are required to draft and publish written policies for implementation of the Ordinance.
- (b) The requirements of this ordinance will apply to all new and existing Affordable Housing in the City. The terms of the ordinance will be incorporated into all new and existing contracts between the Housing Provider and the city, state or federal entity providing the subsidy.
- (c) Within six months of the Ordinance's passage, the City Manager is required to identify the Appeal Hearing Officer and staffing for the appeal process, develop notices and other implementation documents, conduct outreach to Housing Providers, an annual budget and funding sources, a penalty system for addressing violations of the Ordinance, and other elements of effective implementation.
- (d) The appeal hearing process shall include the submission of documents from the Housing Provider on why housing was denied to the applicant/appellant to both the Appeal Hearing Officer and the applicant/appellant at least five (5) calendar days prior to the Appeal Hearing. The Housing Provider shall explain the decision with enough specificity for the applicant/appellant to rebut the decision. In addition, the applicant/appellant shall have the right to have an Advocate of their choosing to represent the applicant/appellant at the hearing and may present any relevant witnesses and evidence. Evidence will be considered without regard to the admissibility under the Rules of Evidence applicable to a judicial proceeding. Both the applicant/appellant and the Housing Provider shall be allowed to examine the other party's evidence and to rebut and cross examine the witnesses. Both parties shall also have the opportunity to request a translator and to request any reasonable accommodation needed to participate in the hearing process. Both parties shall also have the right to record the hearing.
- (e) Prior to implementation, Housing Providers are required to provide a written policy of their selection criteria, process, and the appeal process to all tenants.
- (f) The City is required to take appropriate steps to enforce this article and coordinate enforcement, including the investigation of any possible violations of this article. The City may find a violation of this article including that the Housing Provider failed to conduct the individualized assessment.

- (g) The City Manager shall provide quarterly public reports to the City Council on Ordinance implementation including information for each Housing Provider that includes the number and demographics for applicants for available Affordable Housing and, for applicants that were denied, information pertaining to their race, ethnicity, gender, income level, and household type. The information provided for each Housing Provider shall also include the number of leases signed and the number and basis of applicant denials for denials based upon Conviction History. The quarterly reports shall also include information on the number of notices filed with the City regarding private court action and the outcome of the court proceedings.
- (h) Where the City's Appeal Hearing Officer determines that a violation of the Ordinance occurred, the City's Appeal Hearing Officer may issue a determination and order any appropriate relief under this Ordinance.
- (i) After the conclusion of the appeal process, if the appellant retains a private attorney to pursue litigation of the matter, the private attorney who represents the appellant in litigation against the Housing Provider shall provide notice to the City and the Appeal Hearing Officer within ten (10) calendar days of filing court action against the Housing Provider, and inform the City and the Appeal Hearing Officer of the outcome of the court action within ten (10) calendar days of any final judgment.

7.110.080 Records to Be Maintained

- (a) The Housing Provider shall maintain all records required by federal regulations including those specified in 24 CFR §570.506 that are pertinent to the implementation and enforcement of this Ordinance.
- (b) In addition, the Housing Provider must maintain a record for each applicant, participant and beneficiary of their program including, any criminal background check, and determination of eligibility following the Housing Provider's review of the criminal background check.
- (c) In the case that an applicant is denied housing after receiving a conditional lease, the Housing Provider is required to provide access to the applicant's file upon request, including the criminal background check document, for either personal review or to file an appeal.
- (d) The Housing Provider shall maintain full and complete documentation of performance related matters such as benchmarks and deliverables associated with this Ordinance.
- (e) The Housing Provider shall
 - (1) Permit the City to have access to Housing Provider records for the purpose of making an audit, examination or review of performance data pertaining to this Ordinance; and
 - (2) Maintain such records for a period of three years.

7.110.090 Confidentiality

To the fullest extent permitted by law, any information pertaining to an applicant's criminal history obtained in conjunction with the rental, lease, ownership, or sublease process

- (a) Shall remain confidential;

(b) Shall only be shared with the applicant, the Housing Provider, and the Appeal Hearing Officer.

Section II. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such a decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance irrespective of the unconstitutionality or invalidity of any section, subsection, subdivision, paragraph, sentence, clause or phrase.

Section III. Effective Date. This Ordinance becomes effective six (6) months after its final passage and adoption.

First read at a regular meeting of the Council of the City of Richmond, California, held _____, and finally passed and adopted at a regular meeting thereof held _____, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

Clerk of the City of Richmond
(SEAL)

Approved:

Mayor

Approved as to form:

City Attorney

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REIMBURSEMENT AGREEMENT

This Reimbursement Agreement (the "Agreement") is entered into on this December 20, 2017, between the Richmond Rent Board (the "Rent Board") and the City of Richmond, a municipal corporation (the "City") to pay for services and advanced funds provided by the City to the Rent Board to carry out its powers, duties, and functions as set forth in Measure L, now codified in Chapter 11.100, Richmond Municipal Code, and in other rent control/eviction protection ordinances adopted by the City ("Rent Program").

I. RECITALS

- A. Whereas, Measure L (The Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance) was approved by the voters on November 8, 2016 and became effective on December 30, 2016; and
- B. Whereas, Measure L establishes a Richmond Rent Board, requires the City to perform the duties of the Board during the transition period before Board Members are appointed and an Executive Director is hired, and requires the City to provide infrastructural support to the Board as it would to any other City Department; and
- C. Whereas, all City departments pay a cost allocation for infrastructural and administrative support; and
- D. Whereas, since November 8, 2016, the City has provided to the Rent Board, and continues to provide, the following services, including but not limited to: consultants, employees and staff, start-up costs and fees, overhead, IT services, administrative services, legal assistance; and
- E. Whereas, since November 8, 2016, the City has through its General Fund advanced on behalf of the Board, and continues to advance on behalf of the Board, funds to operate the Rent Program; and
- F. Whereas, the City will charge and collect fees ("Rent Program Fees") to landlords to recover costs for operating the Rent Program, the City Council adopted Rent Program Fees on July 25, 2017, and the Rent Program is beginning to collect but has not yet collected all of the Rent Program Fees; and
- G. Whereas, the City and the Rent Board desire to enter into this Agreement: (1) to set forth activities, services and facilities which the City will provide and make available to the Rent Board in furtherance of Rent Program; and (2) to provide that the Rent Board will reimburse the City for any and all costs and expenses incurred by it on behalf of the Rent Board; and
- H. Whereas, the City and the Rent Board intend that the Rent Program be self-sufficient and not require either permanent funding or cash advances from the General Fund of the City of Richmond; and
- I. Whereas, in taking steps to implement the Fair Rent and Just Cause for Eviction ordinance following voter approval in November 2016, it was necessary for the Rent Program to make expenditures prior to the time when the Rent Program could meet its annual revenue requirements through program registration fees and other funding sources that the Rent

Board may ultimately authorize, and these expenditures were necessarily advanced by the General Fund; and

- J. Whereas, the Rent Board and the City acknowledge that, due to the billing cycle that may be adopted by the Rent Board, the General Fund may need to advance cash from time to time to meet working capital requirements of the Rent Program, and such cash advances are anticipated especially in the early years of the program.

II. AGREEMENTS

In exchange for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Rent Board agree as follows:

1. RECITALS

The parties hereby acknowledge and confirm the Recitals in this Agreement.

2. REIMBURSEMENT

- (a) The City may provide for the Rent Board such staff assistance, supplies, technical services, and other services and facilities of the City as the Rent Board may require in carrying out the Rent Program. Such assistance and services may include the services of City employees and consultants.
- (b) The City may, but is not required to, advance funds to the Rent Board or to expend funds on behalf of the Rent Board to carry out the Rent Program, particularly during the initial months of the Rent Program's operation prior to the receipt of any Rent Program Fees. The Rent Board shall adopt a budget to cover the estimated Rent Program expenditures, including adequate reserves to cover any shortfalls in revenue, based on the level of services reflected in the adopted budget. The City and the Rent Board agree that the City is not required to advance funds to the Rent Board from its General Fund, and that the long term goal is for the Rent Program to fund its operations without advances from the City General Fund.
- (c) The City will establish a separate Rent Program fund for the Rent Board and will keep a separate accounting for all of the Rent Board's revenues, expenditures, and fund balances. The revenues will generally consist of the Rent Program Fees, which will be deposited into this fund. The expenditures will generally consist of services paid, provided, and invoiced by the City and will be directly charged to the Rent Program fund.
- (d) The City will keep records of activities and services undertaken pursuant to this Agreement and the costs thereof in order that an accurate record of the Rent Board's fund balance and liability to the City can be ascertained. The City shall periodically, and at a minimum annually, submit to the Rent Board a statement of the costs incurred by the City in rendering activities and services to the Rent Board pursuant to this Agreement. The City will submit an initial invoice for costs incurred from November 2016 through June 30, 2017.

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- (e) From the Rent Program fund, the Rent Board shall reimburse the City for any and all costs incurred for services and facilities provided by the City pursuant to this Agreement, including but not limited to the proration of administrative, overhead, IT, salary and benefits expenses provided, and any other cost allocations for infrastructural and administrative support, as well as consultant, attorney, and risk management expenses attributed to services rendered for the Rent Board.

- (f) It is the express intent of the parties that the City shall be entitled to reimbursement of any and all costs incurred by the City under this Agreement. The Rent Board will make the City whole and reimburse the City's General Fund for all funds that are advanced as soon as possible, and will pay all invoices in a timely manner so long as it has funds available to do so; however, in no instance should amounts invoiced by the City remain unpaid by the Rent Board for more than a two-year period.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first specified herein.

Richmond Rent Board:

By: 
David Gray, Chair

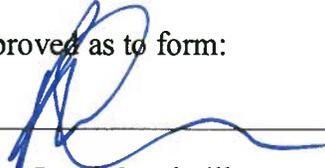
Date: 1/29/18

CITY:

By: 
Bill Lindsay, City Manager

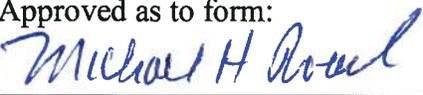
Date: 1/29/18

Approved as to form:


Bruce Reed Goodmiller

City Attorney

Approved as to form:



Rent Board Attorney

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TITLE & PURPOSE

Source of Income Housing Ordinance

Accordingly, the purpose of this chapter is to promote greater health equity for all Richmond Residents by helping to alleviate the housing crisis. This chapter maximizes the utilization of housing assistance programs by further ensuring safeguards to existing rights of tenants to be free of certain discrimination based on their source of income, use of a rental subsidy and to encourage housing providers to participate in the Richmond Housing Authority's Public Housing program and Housing Choice Voucher Program (commonly known as Section 8), and those receiving other forms of public assistance.

FINDINGS:

- a) The City of Richmond General Plan Program states in the 5th Cycle Housing Element Goal H-4: Equal Housing Access for All that it will, "Strive to achieve equal housing access for all people regardless of race, religion, gender, marital status, age, ancestry, national origin, color, sexual orientation, familial status, source of income, or disability."
- b) The City of Richmond General Plan Program states in the 5th Cycle Housing Element Policy H-4.1.1: Housing Choice Voucher Program that it will, "Continue to administer the City's Section 8 Housing Choice Voucher Program and maximize the program's utilization. Continue monitoring key program performance indicators such as attrition rates, fail-to-lease ratios, and waitlist size. Continue to work with local affordable housing developers to provide project-based vouchers. Respond to any future Notices of Funding Availability (NOFA) and apply for more vouchers."
- c) The General Plan of the City of Richmond states in the Policy H-4.2: Discrimination Prevention that it seeks to "Identify, monitor and prevent discriminatory housing practices."
- d) The General Plan of the City of Richmond states in the 5th Cycle Housing Element, Policy H2.7: Balanced Neighborhoods that it seeks to "Encourage a balance of housing incomes within neighborhoods to ensure a healthy mix of affordable and market rate housing and to deconcentrate poverty." Research shows that Section 8 and source of income discrimination can contribute to maintaining economically segregated neighborhoods, which is counter to the goals of the City's General Plan (Austin Tenants' Council, "Voucher Holders Need Not Apply: An Audit Report on the Refusal of Housing Choice Vouchers by Landlords in the Austin MSA.")
- e) The General Plan of the City of Richmond states in the 5th Cycle Housing Element Goal H-3: Expanded Housing Opportunities for Special Needs Groups that it seeks to, "Promote the expansion of housing opportunities for all special needs groups, including seniors, female-headed households, persons with disabilities, first-time homebuyers, large families, former prison inmates reentering the workforce, and homeless individuals and families." Nationwide, half (51 percent) of the households that received voucher assistance in 2016 were elderly or disabled, and nearly half (44 percent) have minors in the home (Center for Budget Policy and Priorities, 2017).
- f) As stated in the Health in All Policies Ordinance (Chapter 9.15) and Strategy document, The City of Richmond is committed to achieving the highest level of health for all Richmond residents. Good health is in the interest of everyone in Richmond and the region, since being healthy enhances quality of life, improves workforce productivity, increases the capacity for learning, strengthens families and communities, supports environmental sustainability and helps reduce stress and feelings of insecurity.

The following draft ordinance was not created by nor has it been reviewed by City of Richmond staff. It was created for a presentation to the City Council for consideration at the 9/25/2018 meeting.

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- g) Action 4F in the Health in All Policies Strategy has the goal to, “Protect neighborhoods from gentrification that leads to the displacement of residents.”
- h) Action 4H in the Health in All Policies Strategy has the goal to, “Develop homelessness prevention program & enhance temporary and emergency shelter for families.”
- i) The Richmond Housing Authority owns, manages, and/or subsidizes various types of publicly subsidized housing, including Project-based Section 8 units, section 202 senior housing, public housing units, tax-credit financed affordable housing, and housing rented with Section 8 workers. Publicly supported affordable housing programs are essential to meeting the housing needs of low-income Richmond residents.
- j) RHA can assist 1851 families, but currently has ~ 1701 units under lease. Many tenants who qualify for Section 8 rental assistance are unable to benefit from it. This results in a significant loss of income for the RHA and housing challenges for those residents. (Conversation with Richmond Housing, August 2018)
- k) The RHA waitlist includes 838 people from when it was opened in 2013 and an additional 1000 were added when the waitlist was opened in November, 2017. (Conversation with Richmond Housing, August 2018)
- l) The Richmond Housing Authority, which administers the Section 8 rent subsidy program, reports a shortage of housing providers participating in the Section 8 program and that many tenants who qualify for Section 8 rental assistance are unable to benefit from it because of the unavailability of participating housing providers.
- m) Richmond residents who are Section 8 voucher holders report difficulty in finding housing due to a smaller number of properties open to Section 8 holders. Other jurisdictions in the United States have seen upwards of 12 percent increase in acceptance of Section 8 Housing Choice Vouchers when similar ordinances have been passed barring the refusal to accept Section 8 Housing Choice Vouchers to pay for apartments.
- n) Richmond Section 8 voucher holders frequently report that housing providers say that Section 8 voucher holders are not accepted because “previous Section 8 voucher holders previously damaged their property.” In these instances, housing providers’ perception of Section 8 holders prevents them from accessing housing opportunities without giving the individual a chance to share references or demonstrate the ability to pay rent.
- o) It is not uncommon to find postings for apartments that state that they do not accept Section 8.
- p) Research shows that in desirable housing markets, Section 8 holders have limited mobility and are concentrated in neighborhoods with lower health outcomes (Center for Budget Priorities and Policies, 2015)
- q) For Section 8 holders, the median rent in Richmond is unaffordable. According to Zillow, the median rent for a 2 bedroom apartment in Richmond in May 2017 was \$2,211. The payment standard for Section 8 Housing Choice Voucher holders during this same time was \$1,893.
- r) As stated in the Health in All Policies strategy Action 4F, a lack of affordable housing or the increased use of deteriorated housing can have serious health implications. The difficulty of finding decent, stable housing for Section 8 holders in Richmond is an acute challenge to the dignity, public health, and equal opportunity for this population and the broader community.
- s) California Government Code §12921 prohibits housing discrimination based on source of income as defined by §12955(p)(1), which does not protect Housing Choice voucher holders as established by case law (SABI v. Sterling, 183 Cal.App.4th 916 (2010)); and California and federal law further requires the City of Richmond to identify impediments to providing affordable housing and to develop strategies for removing those impediments. In order to fulfill its commitment to fair housing, to increase affordable housing opportunities, and to fulfill its legal obligations it is necessary to prohibit housing discrimination based on source of income.

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DEFINITIONS:

- A. "Affordable Housing" means any residential building in Richmond that has received City, State, or Federal fundings, tax credits, and other subsidies connected in whole or in part to developing, rehabilitating, restricting rents, subsidizing ownership, or otherwise providing housing for extremely low income, very low income, low income, and moderate income households.
- B. "Source of Income" means all lawful sources of income or rental assistance program, homeless assistance program, security deposit assistance program or housing subsidy program, including but not limited to the Section 8 Housing Choice Voucher Program. Source of income includes any requirement of any such program or source of income or rental assistance.
- C. "Section 8" refers to the federal housing choice voucher program for income-qualified households. It assists very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Local PHA pay the housing provider the amount equal to the difference between the tenant portion of the rent (30 percent of adjusted income, 10 percent of gross income, or the portion of welfare assistance designated for housing) and the contract rent. HUD pays the PHA an administration fee to cover costs of running the program, including accepting and reviewing applications, recertifying eligibility, and inspecting the rental units. Housing choice vouchers are administered locally by the RHA. The RHA receives federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program. The participant is free to choose any housing that meets the requirements of the program, and is not limited to units located in subsidized housing projects.
- D. "Housing Provider" shall mean any individual or entity that owns, master leases, manages, or develops Affordable Housing or market-rate housing in the City. Any agent, such as a property management company, that makes tenancy decisions on behalf of the above described entities shall also be considered a "Housing Provider."
- E. "Inquire" shall mean any direct or indirect conduct intended to gather information about source of income from or about an applicant, candidate potential applicant or candidate, or employee, using any mode of communication, including but not limited to application forms, interviews, and background check reports.

ORDINANCE:

Prohibited Activity. It shall be unlawful for any Housing Provider, person or persons to do any of the following acts wholly or partially because of a person's actual or perceived [race, color, ancestry, national origin, place of birth, sex, age, religion, creed, disability, sexual orientation, gender identity] source of income

1. To interrupt, terminate, or fail or refuse to initiate or conduct any transaction in real property, including, but not limited to, the rental thereof; to require different terms for such transaction; or falsely to represent that an interest in real property is not available for transaction;
2. To include in the terms or conditions of a transaction in real property any clause, condition or restriction;

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3. To refuse or restrict facilities, services, repairs or improvements for any tenant or lessee;

4. To make, print, publish, advertise or disseminate in any way, or cause to be made, printed or published, advertised or disseminated in any way, any notice, statement or advertisement with respect to a transaction in real property, or with respect to financing related to any such transaction, which unlawfully indicates preference, limitation or discrimination based on source of income.

Prohibited Economic Discrimination. It is unlawful for any person to use a financial or income standard for the rental of housing that does either of the following:

1. Fails to account for any rental payments or portions of rental payments that will be made by other individuals or organizations on the same basis as rental payments to be made directly by the tenant or prospective tenant;

2. Fails to account for the aggregate income of persons residing together or proposing to reside together or an aggregate income of tenants or prospective tenants and their cosigners or proposed cosigners or proposed cosigners on the same basis as the aggregate income of married persons residing together or proposing to reside together.

Records to Be Maintained

- A. The Housing Provider must maintain records of all Section 8 applicant denials and the reason for denial.
- B. The Housing provider shall maintain such records for a period of three years from the date of the application.
- C. The Housing Provider shall permit the City access to these records for the purpose of making an audit, examination or review of performance data pertaining to this Ordinance

Civil Injunctive Relief

Any aggrieved person may enforce the provisions of this chapter by means of a civil injunctive action. Any person who commits, or proposes to commit, an act in violation of this chapter may be enjoined there from by any court of competent jurisdiction. An action for injunction under this section may be brought by any aggrieved person, by the city attorney, the district attorney, or by any person or entity which will fairly and adequately represent the interests of the protected class and the prevailing party may also recover court costs and reasonable attorney's fees.

Exceptions.

- 1. Nothing in this chapter shall be deemed to permit any rental or occupancy of any dwelling unit or commercial space otherwise prohibited by law.

Severability.

The following draft ordinance was not created by nor has it been reviewed by City of Richmond staff. It was created for a presentation to the City Council for consideration at the 9/25/2018 meeting.

**ITEM I-1
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If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such a decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance irrespective of the unconstitutionality or invalidity of any section, subsection, subdivision, paragraph, sentence, clause or phrase.

Effective Date.

This Ordinance becomes effective six (6) months after its final passage and adoption.

DRAFT

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The following draft ordinance was not created by nor has it been reviewed by City of Richmond staff. It was created for a presentation to the City Council for consideration at the 9/25/2018 meeting.

ITEM I-1 ATTACHMENT 4

TITLE & PURPOSE

Fair Tenant Screening Ordinance

The purpose of this chapter is to promote neighborhood and community stability, fair and equal housing access, and affordability for renters in the City of Richmond by ensuring transparency in costs incurred by prospective tenants for tenant screening reports required by landlords as part of rental housing application processes. This chapter would require landlords to accept a verified and secure third party tenant screening report provided by tenants when applying for rental housing. Prospective tenants would be able to use this report as many times as needed within a thirty day period for a single fee paid to third party companies who provide this service.

FINDINGS:

- a) The City of Richmond, like other Bay Area jurisdictions, is facing a shortage of affordable housing.
- b) Approximately one half of the Richmond residents are renters, and the percentage of overburdened Richmond renters increased from 34 percent in 2000 to 46 percent in 2015.
- c) Application fees for rental housing create additional cost burdens for renters seeking new housing, often resulting in the exclusion of low-income people from applying for multiple housing options due to hardship of affording these fees. These fees are compounded with other deposits and advance rental payments which are often required in a competitive housing market.
- d) Rental housing application fees are used by landlords to purchase tenant screening reports from third-party companies that are used to evaluate and select tenants for their rental properties. Tenant screening reports contain information about an applicant's credit, eviction, and criminal history, among other characteristics. Housing providers may purchase criminal background reports from countless private consumer reporting agencies. There are well over 600 companies offering consumer reports for residential tenant screening.
- e) Applicants who apply for housing with multiple housing providers pay repeated screening fees for reports from different sources containing similar information. It is well documented that tenant screening reports often contain misleading, incomplete, or inaccurate information, such as information collected on someone with the same name, or information relating to expunged records, that may be unfairly used as a basis for denial of a prospective tenant's application.
- f) Prospective landlords frequently do not provide applicants with a copy of their tenant screening report or a reason for denial of their application, and this lack of transparency creates a challenge for prospective tenants to dispute potential errors and ensure the fair consideration of their application.
- g) In accordance with the City's Fair Chance Access to Affordable Housing Ordinance (Chapter 7.110 of Article VII), this law would help ensure that affordable housing providers aren't improperly inquiring about prospective tenants' prior conviction status.
- h) The excessive costs and lack of transparency associated with tenant screening reports particularly impact Section 8 voucher holders, whose housing choices are already severely constrained by the shortage of housing providers participating in the Section 8 program.
- i) Private screening companies are governed by the federal Fair Credit Reporting Act (FCRA) and state consumer protection laws. Under these laws, individuals have the right to know what information is included in the files of consumer reporting agencies, be told if information in a consumer report has been used to take adverse action against them, and dispute incomplete or

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inaccurate information within a report. Consumer reporting agencies are also required to correct or delete inaccurate, incomplete, or unverifiable information under the FCRA.

- j) The General Plan of the City of Richmond states in the Policy H-4.2: Discrimination Prevention that it seeks to “Identify, monitor and prevent discriminatory housing practices.”
- k) The City of Richmond General Plan Program states in the 5th Cycle Housing Element Goal H-4: Equal Housing Access for All that it will, “Strive to achieve equal housing access for all people regardless of race, religion, gender, marital status, age, ancestry, national origin, color, sexual orientation, familial status, source of income, or disability.”
- l) As stated in the Health in All Policies Ordinance (Chapter 9.15) and Strategy document, The City of Richmond is committed to achieving the highest level of health for all Richmond residents. Housing insecurity and the challenges of finding housing in a competitive market is a major source of chronic stress which can lead to reduced health outcomes.

DEFINITIONS:

- A. "Prospective tenant" means a tenant, subtenant, lessee, sublessee or any other person who has applied for residential housing that is governed under this chapter.
- B. "Housing Provider" shall mean any entity that owns, master leases, manages, or develops Affordable Housing or market-rate housing in the City. Any agent, such as a property management company, that makes tenancy decisions on behalf of the above described entities shall also be considered a "Housing Provider."
- C. "Consumer reporting agency" shall mean any person which, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information or other information on consumers, such as their rental history, conviction history, or employment history, for the purpose of furnishing consumer reports to third parties.
- D. "Tenant screening" means using a consumer report or other information about a prospective tenant in deciding whether to make or accept an offer for residential rental property to or from a prospective tenant.
- E. "Reusable tenant screening report" means a tenant screening report prepared by a consumer reporting agency at the direction of and paid for by the prospective tenant and made available directly to a prospective landlord at no charge by the consumer reporting agency, which contains all of the following: (a) A consumer credit report prepared by one of the national credit bureaus within the past thirty days; (b) a report containing the prospective tenant's criminal history; (c) a report containing the prospective tenant's eviction history; and (d) an employment verification.
- F. "Conviction History" shall mean information regarding one or more convictions or unresolved arrests, transmitted orally or in writing or by any other means, and obtained from any source, including but not limited to the individual to whom the information pertains and a tenant screening report. Conviction History that may be considered by a housing provider is limited to Richmond's Fair Chance Access to Affordable Housing Ordinance (Chapter 7.110 of Article VII).
- G. "Eviction history" means a report containing or summarizing the contents of any records of unlawful detainer actions concerning the prospective tenant that are reportable in accordance with state law, are lawful for landlords to consider, and are obtained after a search based on at least seven years of address history and alias information provided by the prospective tenant or available in the consumer credit report.
- H. "Adverse action" refers to any action by a Housing Provider that is unfavorable to the interests of a prospective tenant. Examples of common adverse actions by Housing Providers in regard to the rental application process include: failing or refusing to rent or lease real property to an

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individual with or without cause, requiring a co-signer on the lease, requiring a deposit that would not be required for another applicant, requiring a larger deposit than might be required for another applicant, and raising the rent to a higher amount than for another applicant. Other adverse actions in the context of housing include: evicting a tenant, failing or refusing to add a household member to an existing lease, or reducing any tenant subsidy. The adverse action must relate to real property in Richmond.

- I. "Reasonable attorneys' fees," where authorized in this chapter, means an amount to be determined including the following factors: The time and labor required, the novelty and difficulty of the questions involved, the skill requisite to perform the legal service properly, the fee customarily charged in the locality for similar legal services, the amount involved and the results obtained, and the experience, reputation and ability of the lawyer or lawyers performing the services.

ORDINANCE:

Required acceptance of comprehensive reusable tenant screening reports.

- A. Housing Providers shall accept a comprehensive reusable tenant screening report made available to the Housing Provider as part of a prospective tenant's application for housing.
- B. The Housing Provider may not charge a fee to the prospective tenant for access to a comprehensive reusable tenant screening report.
- C. A Housing Provider may conduct its own screening of prospective tenants in addition to the comprehensive reusable tenant screening report. A housing provider may not charge the prospective tenant for a separate screening report.

Notice to prospective tenants.

- A. Housing Providers shall notify all prospective tenants of the requirement for the Housing Provider to accept a comprehensive reusable tenant screening report that is initiated by a prospective tenant in lieu of a non-reusable screening report that is initiated by the Housing Provider at an additional cost to the prospective tenant. The notice to prospective tenants must be included in the following:
 1. Any printed or electronic rental housing application form;
 2. Any website or online listing(s) maintained by the Housing Provider advertising the rental of a dwelling unit or as a source of information for current or prospective tenants must include a statement on the property's home page stating that the Housing Provider will accept a comprehensive reusable tenant screening report furnished directly by a consumer reporting agency.
- B. Housing Providers shall notify a prospective tenant in writing or electronically of the following information prior to obtaining any information about the prospective tenant or collecting any application fees:
 1. The landlord's tenant screening policy or criteria;
 2. If another screening is conducted by the Housing Provider in addition to the comprehensive reusable tenant screening, the name and address of the consumer reporting agency used to conduct the screening and the prospective tenant's rights to obtain a free copy of the consumer report in the event of a denial or other adverse action, and to dispute the accuracy of information appearing in the consumer report.

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Adverse action.

If a Housing Provider takes an adverse action against a prospective tenant based on any information provided by the consumer reporting agency, the Housing Provider shall provide notice in writing or electronically, of the adverse action to the prospective tenant that states the reasons for the adverse action. The adverse action notice must contain all information as may be required under the federal Fair Credit Reporting Act, the California Consumer Credit Reporting Agencies Act, or the California Investigative Consumer Credit Reporting Agencies Act.

Records to be maintained.

- A. The Housing Provider must maintain records of all adverse actions taken against any prospective tenant, as well as records of notices of adverse action sent in fulfillment of this Ordinance's requirements.
- B. The Housing Provider shall maintain such records for a period of three years from the date of the application.
- C. The Housing Provider shall permit the City access to these records for the purpose of making an audit, examination or review of performance data pertaining to this Ordinance

Remedies/Penalties.

Any landlord or prospective landlord who violates this Ordinance may be liable to the prospective tenant for an amount not to exceed one hundred dollars.

Civil Injunctive Relief.

Any aggrieved person may enforce the provisions of this chapter by means of a civil injunctive action. Any person who commits, or proposes to commit, an act in violation of this chapter may be enjoined there from by any court of competent jurisdiction. An action for injunction under this section may be brought by any aggrieved person, by the city attorney, the district attorney, or by any person or entity which will fairly and adequately represent the interests of the protected class and the prevailing party may also recover court costs and reasonable attorney's fees.

Exceptions.

Nothing in this chapter shall be deemed to permit any rental or occupancy of any dwelling unit or commercial space otherwise prohibited by law.

Severability.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such a decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance irrespective of the unconstitutionality or invalidity of any section, subsection, subdivision, paragraph, sentence, clause or phrase.

This section does not limit a prospective tenant's rights or the duties of a screening service as otherwise provided in the federal Fair Credit Reporting Act, the California Consumer Credit Reporting Agencies Act, or the California Investigative Consumer Credit Reporting Agencies Act.

Effective Date.

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This Ordinance becomes effective six (6) months after its final passage and adoption.

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: December 19, 2018

Final Decision Date Deadline: December 19, 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

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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>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:

I-2.

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AGENDA REPORT

DATE: December 19, 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). ***This item was continued from the November 14, 2018, meeting.***

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, the Rent Board 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 seven 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.

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 1 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).
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 early 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><i>LOW.</i></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><i>LOW.</i></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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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>

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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></p> <p>Copies of executed buyout agreements are retained.</p> <p>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>