

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: November 20, 2019

Final Decision Date Deadline: November 20, 2019

STATEMENT OF THE ISSUE: Section 11.100.060(e)(6) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (Rent Board Powers and Duties) requires the Rent Board to report annually to the City Council on the status of rental housing covered by the Rent Ordinance. Staff members are seeking approval of the 2018-19 Annual Report prior to its presentation to the City Council.

INDICATE APPROPRIATE BODY

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

ITEM

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

RECOMMENDED ACTION: RECEIVE AND APPROVE the 2018-19 Rent Program Annual Report and DIRECT staff to present the report to the City Council in November or December 2019 – Rent Program (Paige Roosa 620-6564).

AGENDA ITEM NO:
G-2.



AGENDA REPORT

DATE: November 20, 2019

TO: Chair Maddock and Members of the Rent Board

FROM: Nicolas Traylor, Executive Director
Paige Roosa, Deputy Director
Philip Verma, Rent Program Services Analyst

SUBJECT: 2018-19 RENT PROGRAM ANNUAL REPORT

STATEMENT OF THE ISSUE:

Section 11.100.060(e)(6) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (Rent Board Powers and Duties) requires the Rent Board to report annually to the City Council on the status of rental housing covered by the Rent Ordinance. Staff members are seeking approval of the 2018-19 Annual Report prior to its presentation to the City Council.

RECOMMENDED ACTION:

RECEIVE AND APPROVE the 2018-19 Rent Program Annual Report and DIRECT staff to present the report to the City Council.

FISCAL IMPACT:

There is no fiscal impact related to this item.

DISCUSSION:

Background

Section 11.100.060(e)(6) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (Rent Board Powers and Duties) requires the Rent Board to report annually to the City Council on the status of rental housing covered by the Rent Ordinance. At a minimum, the report must include a summary of the number of notices served, the basis upon which they were served, the amount of rent increases, and the addresses for which they were served.

Contents of the 2018-19 Annual Report

The 2018-19 Annual Report achieves its mandate of providing the City Council with an update on Richmond's rental housing stock, while providing additional contextual information about the Rent Program and its activities during the 2018-19 fiscal year.

More specifically, the report includes the following sections:

- Acknowledgments of the Rent Board, staff members and volunteers
- A letter from the Executive Director
- A discussion of the Rent Program's mission and the connection between health and housing
- An overview of how the Rent Program enforces the Rent Ordinance
- A profile of Richmond's rental housing stock and landlords
- An analysis of rent increase notices filed with the Rent Program
- An analysis of termination of tenancy notices filed with the Rent Program
- A financial summary of the 2018-19 fiscal year

Next Steps

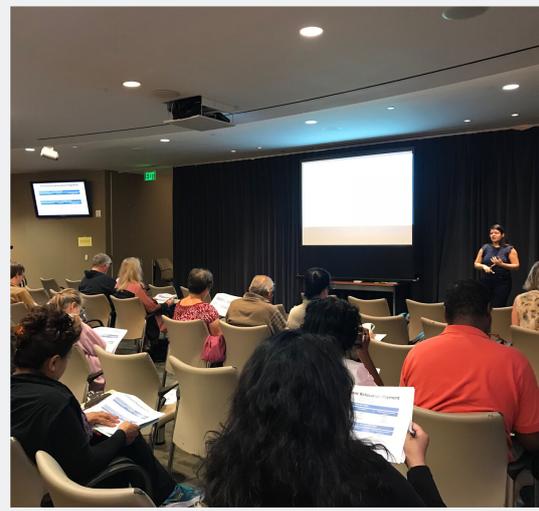
If approved by the Rent Board at its November 20, 2019, Regular Meeting, staff members anticipate the 2018-19 Rent Program Annual Report will be included as part of the City Council's November 26, 2019, Regular Meeting agenda.

DOCUMENTS ATTACHED:

Attachment 1 – 2018-19 Rent Program Annual Report

CITY OF RICHMOND RENT PROGRAM

FISCAL YEAR 2018-19
ANNUAL REPORT



Housing Stability Community Stability
Healthy Housing

NOVEMBER 2019



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STAFF, VOLUNTEER, AND BOARDMEMBER ACKNOWLEDGMENTS

Rent Program Staff

Nicolas Traylor, Executive Director
Paige Roosa, Deputy Director
Charles Oshinuga, Staff Attorney
Palomar Sanchez, Staff Attorney
Paul Cohen, Hearing Examiner
Philip Verma, Services Analyst
Vickie Medina, Services Analyst
Magaly Chavez, Services Analyst
Cynthia Shaw, Administrative Analyst
Ramona Howell, Administrative Aide
Michelle Arriaga, Administrative Aide
Monica Bejarano, Administrative Aide
Moises Serano, Student Intern
Bailey Maher, Student Intern
Sarah Schaff, Student Intern
Erika Foster, Student Intern
Jose Jaimez, Student Intern
Anaise Jean-Philippe, Student Intern
Johana Gurdian, UC Berkeley PSI Intern
Gabby Arreola, UC Berkeley PSI Intern
Han Cheng, UC Berkeley PSI Intern

Rent Board

David Gray, Former Chair
Lauren Maddock, Chair
Emma Gerould, Vice Chair
Virginia Finlay, Boardmember
Nancy Combs, Former Boardmember
Alana Grice Conner, Boardmember
Commieolla Duncan, Boardmember

City Staff

Sue Hartman, IT Director
Randall Narron, Senior Programmer
Roi Evron, GIS Specialist

Volunteers

Nancy Lewis
Brian Lewis



Rent Program staff members



LETTER FROM THE DIRECTOR



DEAR RICHMOND COMMUNITY MEMBERS,

Fiscal Year 2018-19 was a productive year for the Rent Program. We ended the fiscal year with a balanced budget, provided over 8,000 counseling sessions to community members, and significantly expanded our services to Richmond tenants and landlords. At its core, the Rent Program is about housing stability, healthy housing, and the community stability this creates. The benefits of housing stability and rent regulation are vital to a healthy community. A 2014 study found that adults who were worried about paying rent were three times more likely to experience mental distress when compared to adults who had stable housing (Liu et al., 2014). The financial predictability and security of rent-regulated housing allows tenants to invest their income back into Richmond businesses. Furthermore, housing stability removes the psychological and financial stress caused by one having to uproot their family simply because they received a rent increase they are unable to afford (Chew & Treuhaft, 2019).

Over the past year, we have conducted numerous mediations between tenants and landlords, implemented a policy to limit destabilizing rent increases for affordable housing residents, and began hearing tenant and landlord Rent Adjustment Petitions. In particular, the Rent Program created a petition process for landlords to ensure they receive a fair return.

As evidenced by the number of Richmond tenants who have sought assistance with addressing excessive rent increases or unlawful eviction notices, and the number of landlords who have contacted us to learn about how to comply with state and local laws, the Rent Program is effectuating the mission of the Rent Ordinance: promoting neighborhood and community stability, healthy housing, and affordability for Richmond residents. We look forward to continued success in the year ahead.

Sincerely,

Nicolas Traylor
Executive Director

OUR MISSION:



HOUSING STABILITY & HEALTHY HOUSING

MISSION STATEMENT

The mission of the Rent Program is to promote neighborhood and community stability, healthy housing, and affordability for Richmond tenants through the regulating of those landlord/tenant matters that reasonably relate to rents and evictions, while maintaining a landlord's right to a fair return.

THE CONNECTION BETWEEN HEALTH AND HOUSING

What we mean by "healthy housing"

In 2014, the City of Richmond adopted a "Health in all Policies" framework, a holistic, cross-sector approach to address racial and income-based health disparities (Corburn, Curl, Arredondo, & Malagon, 2014). Through this lens, housing quality, stability, and affordability are examined as "social determinants of health:" the social and economic forces that affect health outcomes. Rent control and just cause for eviction policies promote stable, affordable, habitable housing, and are therefore important policies for promoting the health of Richmond residents. In the pages that follow, we examine housing quality, stability, and affordability as they relate to resident and community health.

Housing Quality

Housing quality has a clear, well-documented connection to health. Poor conditions like mold, dust mites, and inadequate heating can trigger asthma and other respiratory problems (Taylor, 2018). Children under five are especially susceptible to physical and mental health problems from these environmental stressors that may affect them throughout their life (Meltzer et al., 2017).



Analyst Magaly Chavez engages residents at a meeting of the Iron Triangle Neighborhood Council

OUR MISSION:



HOUSING STABILITY & HEALTHY HOUSING

THE CONNECTION BETWEEN HEALTH AND HOUSING

Housing Quality (continued from prior page)

While state and local laws set minimum standards for rental housing, without rent control and just cause for eviction policies, fear of a retaliatory eviction or rent increase may discourage tenants from reporting unhealthy conditions. Tenants that are covered under rent control have the right to petition the Rent Program for a rent reduction based on defective housing conditions, among other issues. Tenants that are not under local rent control can learn about and assert their rights under state law by speaking with a housing counselor or one of the Rent Program's legal services partners. Similarly, landlords may petition for rent increases after conducting capital improvements that improve health and safety.

Analyst Philip Verma assists a community member at the Rent Program office



Housing Stability

Housing stability has a significant impact on health outcomes. Forced moves – including those due to rent increases, evictions and uninhabitable conditions – are associated with depression, anxiety, and parental stress, as well as nutritional deficiencies and low birthweights for children. For seniors and people with disabilities or chronic illnesses, an eviction can even be fatal (Chew & Treuhaft, 2019). The inverse is also true; greater stability is linked to better long-term mental and physical health for tenants, especially for children. Richmond's rent control and eviction laws reduce the likelihood of forced moves and protect tenants who assert their rights to decent, habitable housing from unwarranted evictions. Such policies have also been shown to be especially effective at keeping low-income families of color and immigrant families from being forced to move because of a rent increase or eviction notice (Chew & Treuhaft, 2019). Neighborhood stability, as a macro effect of such policies, has also been shown to improve social cohesion and mental health outcomes (Chambers et al., 2016).

OUR MISSION:



HOUSING STABILITY & HEALTHY HOUSING

THE CONNECTION BETWEEN HEALTH AND HOUSING

Housing Affordability

Finally, housing affordability plays an important role in improving residents' health. Tenants who pay a higher share of their income to rent tend to have less money left over for food, medicine, healthcare and utility costs. This can mean difficult and unhealthy tradeoffs where people have to choose between paying rent and adhering to prescriptions (Pollack, Griffin, & Lynch, 2010).

Parents are more likely to experience depression and stress when there is uncertainty about affording basic essentials, while their children have a higher risk of developmental delays and hospitalizations (Chew & Treuhaft, 2019). Crowding, a common coping mechanism for unaffordable housing, is also associated with negative physical and mental health outcomes (Chambers et al., 2016). By limiting the rate of annual rent increases, rent control provides greater financial predictability and stability for tenants. This in turn may reduce instances of crowding in Richmond and allow tenants to spend money on other necessities like healthcare and quality food.



Interns Moises Serano and Johana Gurdian engage community members at RYSE's annual La Feria de Septiembre celebration



Executive Director Nicolas Traylor and Analyst Magaly Chavez enjoy local amenities at Richmond's Pogo Park during a staff retreat

5



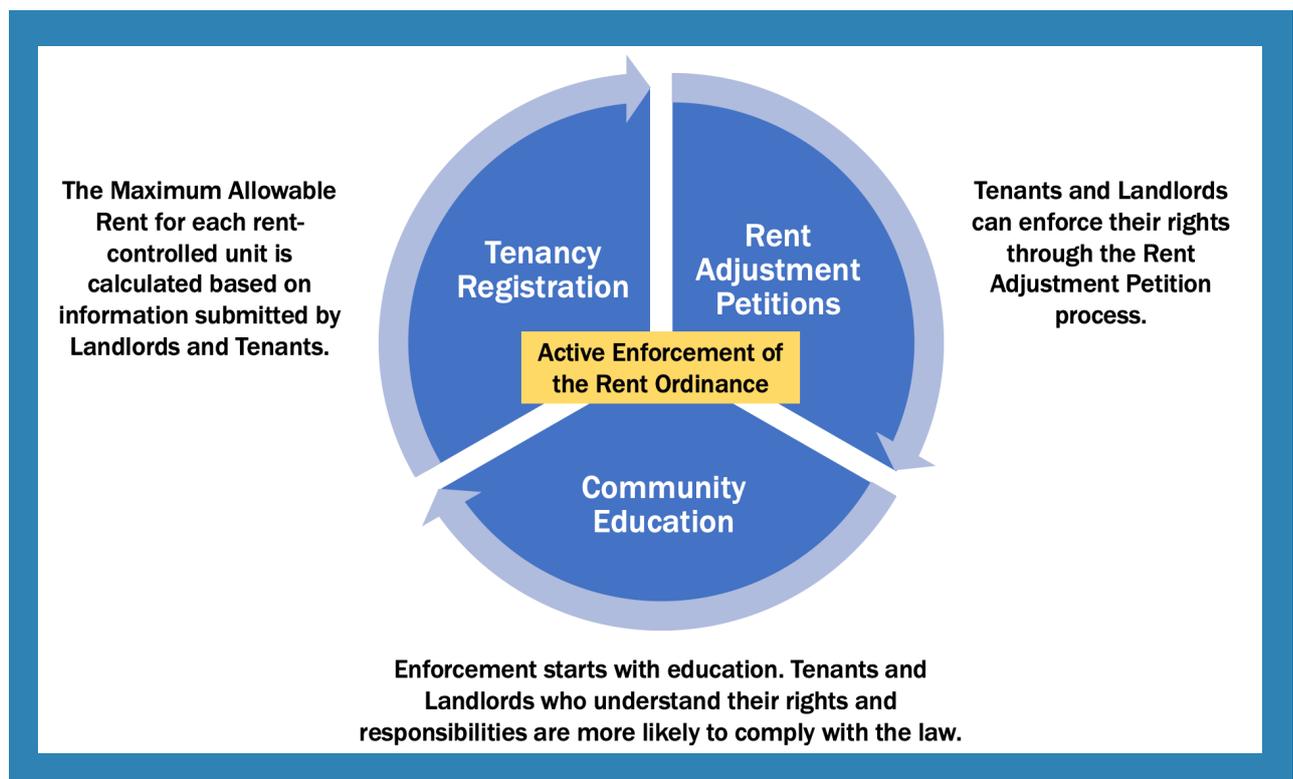
RENT ORDINANCE ENFORCEMENT

THE RENT PROGRAM IS COMMITTED TO ACTIVE ENFORCEMENT OF THE RENT ORDINANCE.

The Rent Program is dedicated to actively enforcing the Rent Ordinance through ensuring that Tenants and Landlords understand their rights and responsibilities, receive information about the maximum rent that may be charged for rent-controlled units, and, when necessary, are referred to partnering legal services organizations for advice and assistance.

THE RENT ORDINANCE IS ENFORCED IN THREE MAJOR WAYS.

There are three major components to active enforcement of the Rent Ordinance: (1) Property Enrollment and Tenancy Registration, (2) Counseling, Mediation, and Community Education, and (3) the Rent Adjustment Petition process. In the pages that follow, we describe our progress in Fiscal Year 2018-19 to further develop these components, and detail how these components support housing stability for Richmond residents.





ENFORCEMENT COMPONENT 1: 6

**PROPERTY ENROLLMENT &
TENANCY REGISTRATION**

**A COMPLETE
COUNT OF RENTAL
UNITS IN
RICHMOND
BENEFITS TENANTS
AND LANDLORDS.**

During the 2018-19 fiscal year, the Rent Program devoted significant resources to creating an accurate database of rental units in the City of Richmond. This database was created by collecting Property Enrollment forms from each Richmond landlord. This information supports an efficient annual billing cycle and equips the Rent Program with the information needed to accurately calculate the Rental Housing Fee.

**TENANTS AND
LANDLORDS
BENEFIT FROM
INFORMATION
ABOUT THE
MAXIMUM RENT
THAT CAN BE
CHARGED.**

The information submitted by landlords in the Tenancy Registration forms makes transparent to both landlords and tenants the amount of rent that may be charged (known as the Maximum Allowable Rent, or "MAR"). The Rent Program can use this information to calculate the MAR for each rent-controlled unit and notify tenants and landlords annually of changes to the MAR. When tenants and landlords are on the same page about the rent that can be charged, disputes over the rent are less likely to occur. Furthermore, studies have found that tracking Maximum Allowable Rents significantly contributes to compliance with rent control laws (Flaming et al., 2009).

**FY 18-19
BY THE
NUMBERS**

5,277

**Property
Enrollment
packets
mailed**

3,002

**Properties
Enrolled**

1,684

**Consultations
with Billing &
Registration
staff**

7



COMPONENT 2:

COUNSELING, MEDIATION & COMMUNITY EDUCATION

HOUSING COUNSELORS PROVIDE TAILORED INFORMATION TO COMMUNITY MEMBERS THROUGH COUNSELING AND COMMUNITY WORKSHOPS.

The Rent Program office is open to the public Monday through Friday to help tenants and landlords understand their rights and responsibilities under the Rent Ordinance. Housing counselors provide holistic counseling to assist community members with a wide range of issues pertaining to the Rent Ordinance. Counselors provide community members with individualized assistance while connecting them to information and resources. Community workshops are held one Saturday each month to share information and answer questions in a group format.

MEDIATION SERVICES HELP LANDLORDS AND TENANTS CONSTRUCTIVELY WORK THROUGH CONFLICT.

The Rent Program offers free mediation services to Tenants and Landlords in conflict. An alternative to submitting a formal Rent Adjustment Petition, the mediation process allows Landlords and Tenants to resolve their issues in a neutral, comfortable setting, with the assistance of a trained mediator.

LEGAL SERVICES ARE NECESSARY WHEN CONFLICTS ESCALATE.

Access to legal services and legal representation are key tools to navigating the justice system. The Rent Program partners with the Eviction Defense Center and Bay Area Legal Aid to connect community members with the legal services they need to enforce their rights under the Rent Ordinance.

**FY 2018-19
BY THE
NUMBERS**

8,345

Counseling sessions conducted

406

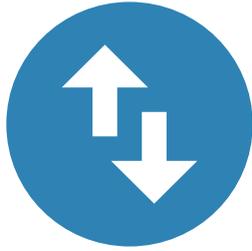
Community Workshop participants

94

Households referred to legal services

67

Mediations held between tenants and landlords



ENFORCEMENT FOCUS AREA 3:

8

THE RENT ADJUSTMENT PETITION PROCESS

TENANTS AND LANDLORDS CAN FILE PETITIONS TO ENFORCE THEIR RIGHTS UNDER THE RENT ORDINANCE.

Each year, landlords of rent-controlled units may increase the rent by a fixed percentage based on inflation. This rent increase is known as the Annual General Adjustment, or AGA. The AGA for 2018 was 3.6%. Tenants and landlords must use the formal petition process to request individual rent increases or decreases beyond the AGA. During the petition process, a Hearing Examiner reviews the evidence to determine if the requested increase or decrease is permitted by the Rent Ordinance. If the landlord and tenant are not able to settle the issue, the Hearing Examiner will order a decision. Appeals to the judge's decision are heard by the Rent Board.

THERE ARE MULTIPLE REASONS FOR TENANTS AND LANDLORDS TO FILE A PETITION.

Reasons for filing a Rent Adjustment Petition include:

- A tenant believes they are being charged more than the Maximum Allowable Rent
- A tenant is experiencing habitability issues (e.g. the tenant's rental unit has a severe mold issue and the landlord has been unresponsive or refuses to address the problem)
- A landlord believes they aren't receiving a "Fair Return" (as defined in Rent Board Regulation Chapter 9)
- A tenant has experienced a decrease in space or services associated with their rental unit (e.g. the tenant had their parking space or laundry facilities taken away)
- A tenant and landlord have agreed to an increase in space, services, or an increase in the number of tenants allowed in the rental unit (e.g. the tenant would like to have a dishwasher installed for a commercially-reasonable rent increase)

**FY 2018-19
BY THE
NUMBERS**

832

Consultations
with the
Hearings Unit
Coordinator

31

Settlement
Agreements
reached

8

Individual
rent
decreases
ordered

2

Individual
rent increases
ordered



PROFILE OF RENTAL HOUSING

Since its establishment in 2017, the Rent Program has invested significant resources in collecting accurate data about Richmond's inventory of rental housing. This section analyzes the city's rental housing stock, including its affordable housing developments, and profiles Richmond's rental housing by building type and age. It also describes some key characteristics of Richmond landlords. This analysis has informed programmatic decisions about outreach and compliance efforts.

According to the most recent American Community Survey (2017), about half of Richmond's 37,000 housing units are renter-occupied. This figure varies widely by neighborhood. The neighborhoods with the highest rates of renters (more than two-thirds) are the Hilltop District, Belding Woods, and the Iron Triangle. By contrast, in hillside neighborhoods like May Valley, Hilltop Green and Richmond Heights, less than one third of households are renters.

Around 40% of the rental stock is considered "fully covered" by the Rent Ordinance, meaning both rent control and just cause eviction requirements apply. The other 60% of rental units - including government-subsidized housing - are "partially covered," meaning they are covered by the Rent Ordinance's eviction protections, but are not rent-controlled. These estimates fluctuate from month to month; housing regularly comes in and out of the rental market and staff continue to discover and add unreported rental units to the Rent Program's database.

RENTAL HOUSING BY THE NUMBERS

7,802

Fully
Covered
Units

11,457

Partially
Covered
Units

4,211

Governmentally-
Subsidized Units
*(included in the
count of Partially
Covered Units)*

*Data reflects unit counts as
of February 2019*



RENTAL HOUSING PROFILE

HOUSING AGE & TYPE

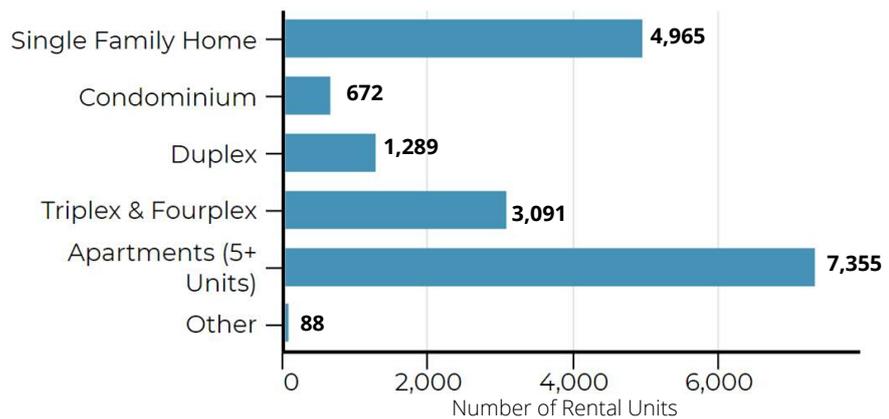
ABOUT ONE-THIRD OF ALL RENTAL UNITS IN RICHMOND ARE SINGLE FAMILY HOMES AND CONDOMINIUMS.

Richmond’s rental housing stock includes a mix of building types. The larger buildings include several market-rate developments in the Hilltop area and many of the city's affordable housing complexes. Nearly one-third of all rental units are single family homes and condominiums, which are under just cause eviction protections but generally exempt from rent control because of the Costa-Hawkins Rental Housing Act, a state law. The high proportion of single-unit rental properties in Richmond means that the Rent Program must dedicate a significant amount of time and resources helping landlords and tenants navigate the Rent Ordinance's just cause for eviction requirements.

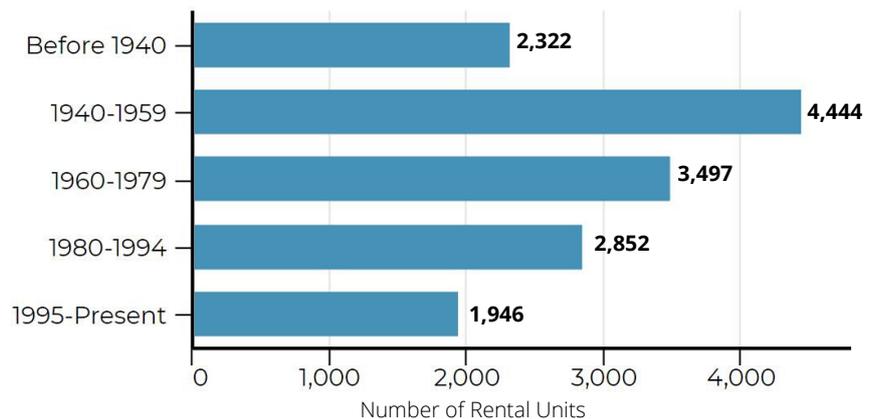
MORE THAN HALF OF RENTAL UNITS IN RICHMOND WERE BUILT BETWEEN 1940 AND 1979.

In terms of age, the majority (approximately 60%) of the city’s rental units were built between 1940 and 1979. The Costa-Hawkins Rental Housing Act exempts housing permitted after 1995 from local rent control as "new construction." As the chart below shows, nearly 2,000 rental units in Richmond are therefore exempt from rent control because of when they were built.

Rental Units by Property Type
(Based on available data for 17,460 units)



Rental Units by Date of Construction
(Based on available data for 15,061 units)



Data source: Richmond Rent Program, 2019; City of Richmond, 2019

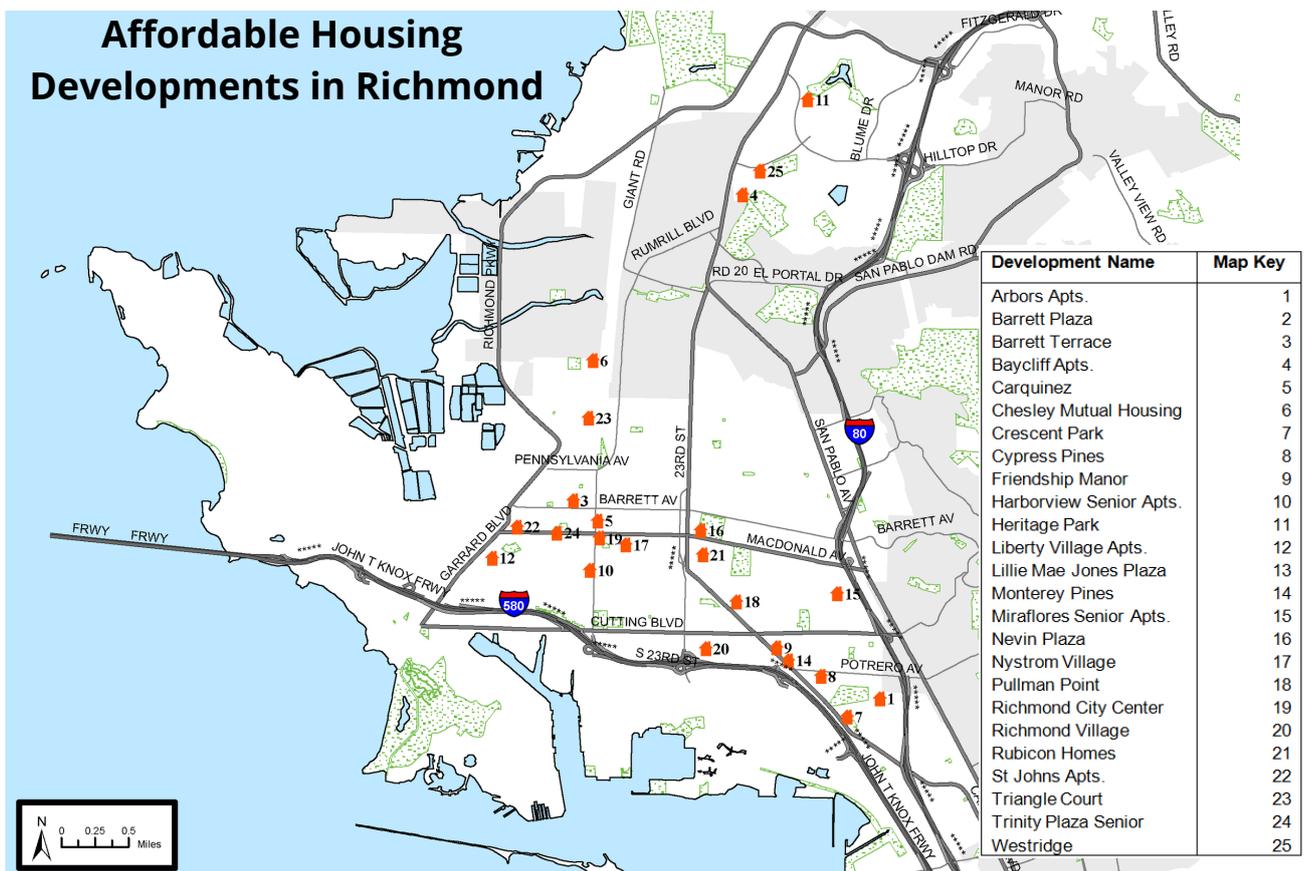


RENTAL HOUSING PROFILE AFFORDABLE HOUSING

Over 20% of Richmond’s rental housing stock is considered “affordable housing.” This includes approximately **2,782** units built with Low-Income Housing Tax Credits (LIHTC), **991** units that receive HUD Project-Based Rental Assistance, and **1,686** with Housing Choice Vouchers from the local housing authority. Many units are under multiple affordable housing programs. For example, over half the city's LIHTC units also receive HUD subsidies.

In accordance with Rent Board Regulation 202, affordable housing is exempt from rent control but subject to just cause for eviction protections, and associated relocation payment requirements. Tenants and landlords of affordable housing can seek assistance from the Rent Program with eviction issues and request mediation to resolve conflicts. In February 2019, the Rent Board reached an agreement with affordable housing providers and adopted a resolution limiting rent increases in certain LIHTC units to 5% annually to better protect low-income residents in these developments.

There are 25 affordable housing developments in Richmond. The map and key below show the names and locations of these developments. They are clustered in the south and west of the city, as well as in the Hilltop area to the north.



Data source: Richmond Rent Program, 2019; City of Richmond, 2019



RENTAL HOUSING PROFILE RICHMOND LANDLORDS

**MOST LANDLORDS
IN RICHMOND ARE
BASED LOCALLY
AND OWN A SMALL
NUMBER OF UNITS.**

The vast majority of Richmond’s landlords are based locally. In addition to Richmond, many landlords live in the surrounding cities of El Cerrito, San Pablo and El Sobrante, as well as in San Francisco, Berkeley, and Oakland. Furthermore, most landlords in Richmond own less than five units. The large number of relatively small landlords poses particular challenges for the Rent Program’s fee collection and compliance efforts.

**MORE LANDLORDS
MEANS MORE
OUTREACH TO
ACHIEVE
COMPLIANCE.**

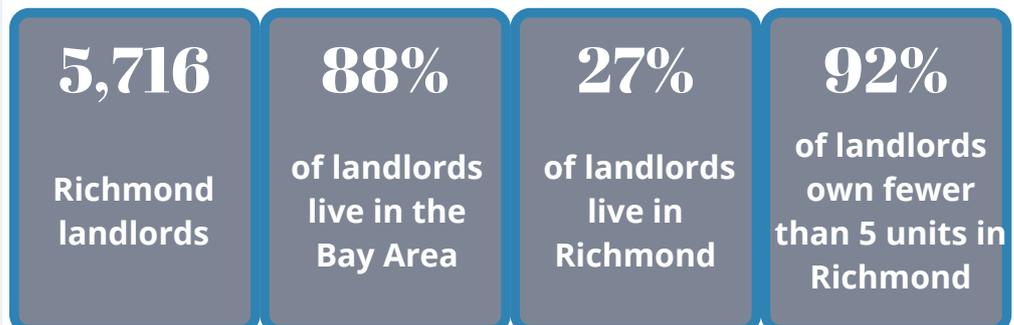
Cities with more concentrated ownership of rental housing may be able to achieve compliance with administrative, financial and legal requirements by working with a handful of landlords who own most of the rental housing. In Richmond, by contrast, achieving this compliance requires more staff time counseling landlords, more resources to accurately enroll and bill rental units, and a greater number of rent adjustment petitions and hearings.

Given this context, the Rent Program has prioritized in-person outreach and education through counseling sessions, monthly community workshops, and appearances at local outreach events.



Executive Director Nicolas Traylor provides an overview of the Rent Ordinance to members of the Point Richmond Business Association at their monthly luncheon

**RICHMOND
LANDLORDS
BY THE
NUMBERS**

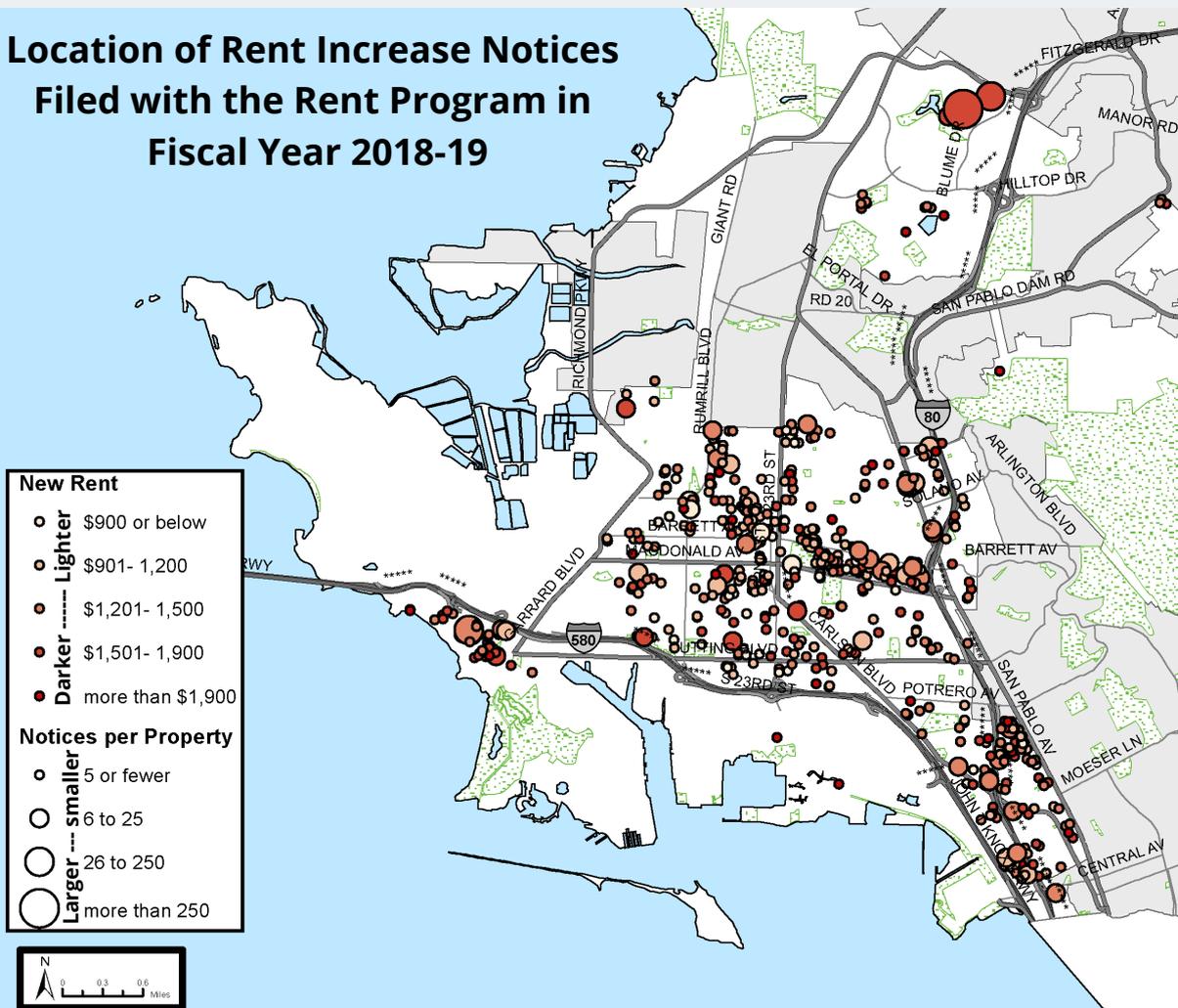




NOTICES OF RENT INCREASE

Landlords of rent-controlled units are required to submit a copy of all rent increase notices to the Rent Program. The map below shows the location of rental units for which rent increase notices were submitted between July 2018 and June 2019, and the average new rents following the increase. Darker colors indicate higher rents, while larger circles represent a greater number of notices of filed for the property. Since the filing requirement only applies to rent-controlled units, this map does not display rent increase data for properties with one dwelling unit on one parcel, including condominiums, or affordable housing developments.

Location of Rent Increase Notices Filed with the Rent Program in Fiscal Year 2018-19



Data source: Richmond Rent Program, 2019; City of Richmond, 2019



NOTICES OF RENT INCREASE ANALYSIS

**THE PERMITTED
RENT INCREASE FOR
2018 WAS 3.6%.**

A total of 2,476 rent increase notices were filed during Fiscal Year 2018-2019. Nearly 60% of notices were filed in July and August 2018, likely in anticipation of the 2018 Annual General Adjustment (AGA), which went into effect September 1st of that year. The AGA for 2018 was 3.6%. Landlords who had not taken previous years' AGAs could take a larger increase (up to 8.6%).

**RENTS IN RENT-
CONTROLLED UNITS
ARE SIGNIFICANTLY
LOWER THAN
ASKING MARKET
RENTS.**

Based on information submitted to the Rent Program, the median increase for rent-controlled units was \$56, with median rents rising to \$1,525. This amount is slightly above the 2017 American Community Survey's gross rent estimate for Richmond (\$1,460) but well below the median market rent according to Zillow (\$2,733). Both of these estimates, however, include single-family homes, condominiums, and new construction, which are not reflected in Rent Program data.



Rent increase and termination of tenancy notices may be filed online, by mail, or in person at the Rent Program office. Notices corresponding to properties with five units or more must be filed online.

**RENT
INCREASES
BY THE
NUMBERS**

2,476

Rent increase
notices filed
with the Rent
Program

\$56

Median
rent increase
for rent-
controlled units

\$1,525

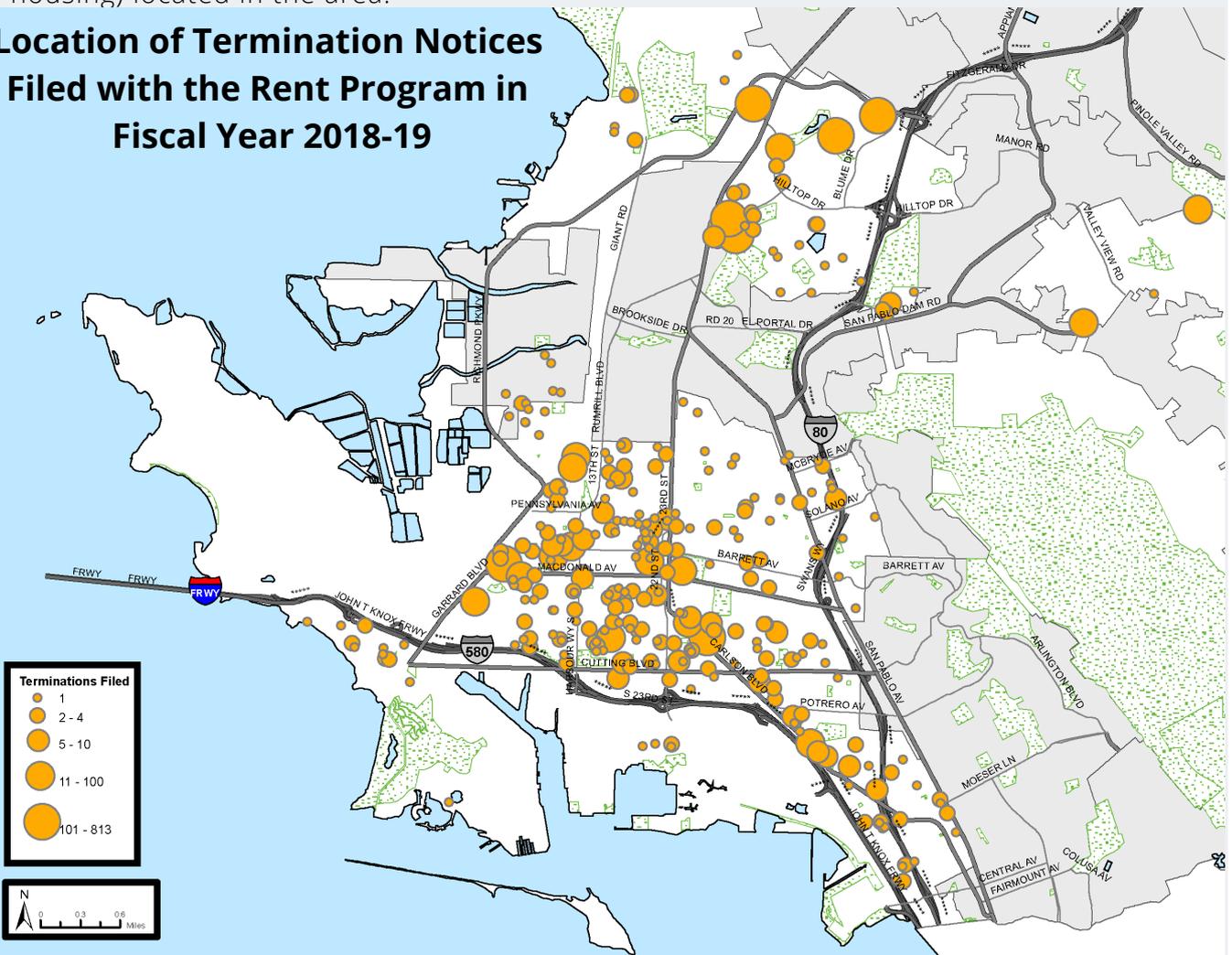
Median
new rent for
rent-
controlled
units



NOTICES OF TERMINATION OF TENANCY

Landlords of all partially or fully-covered rental units must file a copy of any notice terminating tenancy with the Rent Program. The following map shows which properties filed termination notices during the previous fiscal year. Larger circles indicate a greater number of termination notices for that property. The Hilltop and Fairmede neighborhoods saw the most termination notices filed, followed by the Iron Triangle and Pullman neighborhoods. The concentration of terminations in these neighborhoods partly reflects the larger housing developments (including affordable housing) located in the area.

**Location of Termination Notices
Filed with the Rent Program in
Fiscal Year 2018-19**



Data source: Richmond Rent Program, 2019; City of Richmond, 2019



NOTICES OF TERMINATION OF TENANCY ANALYSIS

LANDLORDS FILED 4,211 TERMINATION OF TENANCY NOTICES DURING THE 2018-19 FISCAL YEAR.

THE VAST MAJORITY OF TERMINATION OF TENANCY NOTICES WERE FOR NONPAYMENT OF RENT.

"NO-FAULT" EVICTIONS ARE LESS COMMON, BUT ARE PERMITTED IN CERTAIN CIRCUMSTANCES.

TERMINATIONS OF TENANCY BY THE NUMBERS

Between July 2018 and June 2019, landlords filed 4,211 termination of tenancy notices with the Rent Program. Termination notices must state the applicable "just cause" for eviction. The eight just causes are listed below, along with the number of notices filed under each. It is important to note that not every termination notice leads to an eviction or court case. In some cases, the tenant may cure the issue in the notice (e.g. paying the rent being demanded) and the eviction process is not initiated.

Nonpayment of rent was by far the most common just cause, representing over 96% of notices filed. Landlords of larger properties filed the majority of these nonpayment termination notices. Properties containing 60 or more units filed 75% of nonpayment notices, with those containing five or more units representing another nearly 10%.

The Rent Ordinance also includes certain just causes to terminate tenancy that are considered "no-fault" evictions because they are not the result of any action by the tenant. These just causes are: Owner/Relative Move-In, Withdrawal from Rental Market (in accordance with the state Ellis Act), and Temporarily Vacate in Order to Undertake Substantial Repairs. Most of the no-fault evictions were filed in smaller properties, including single-family homes, duplexes, and fourplexes.

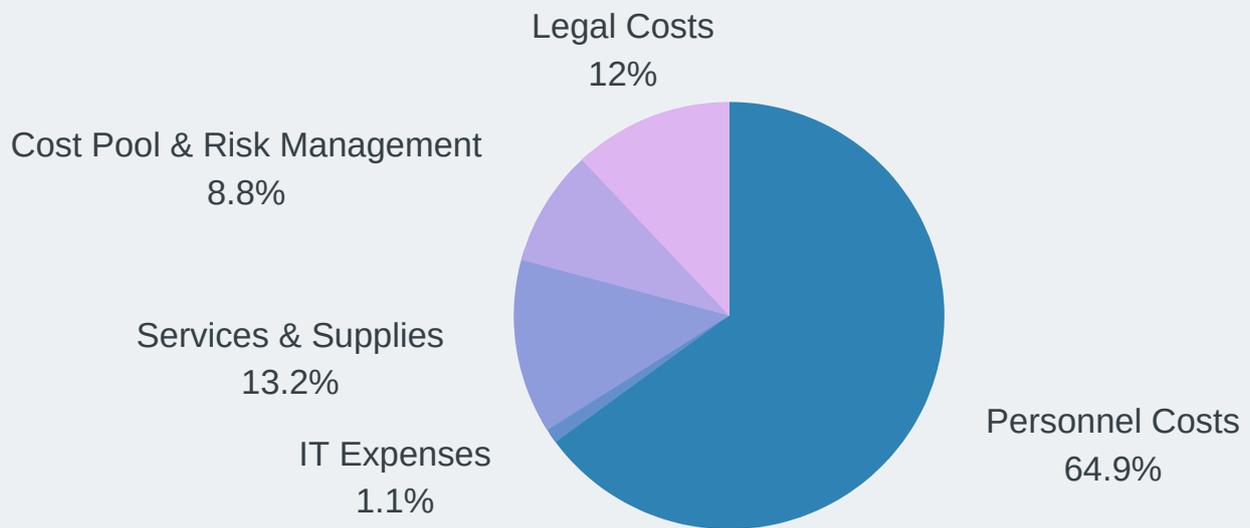
Termination of Tenancy Notices Filed with the Rent Program in FY 2018-19

Just Cause for Eviction	Notices Filed	Percentage of Total
Nonpayment of Rent	4,063	96.50%
Breach of Lease	105	2.50%
Nuisance	15	0.35%
Owner Move-In	14	0.33%
Withdrawal from Rental Market	5	0.11%
Failure to Give Access	4	0.09%
Temporarily Vacate: Repairs	4	0.09%
Temporary Tenancy	1	0.02%
Total	4,211	100%



FISCAL YEAR 2018-19 FINANCIAL SUMMARY

\$2.25 million in budgeted expenses
(does not include budgeted reserves as recommended by GFOA)



\$2.05 million in actual expenses

\$2.19 million in Rental Housing Fee revenue collected

\$143 thousand contributed to the Agency's operating reserves



REFERENCES

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This report was created in accordance with Section 11.100.060(e)(6) of the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, which requires the Rent Board to report annually to the City Council of the City of Richmond on the status of rental housing covered by the Ordinance.

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