

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: February 19, 2020

Final Decision Date Deadline: February 19, 2020

STATEMENT OF THE ISSUE: The minutes of the January 30, 2020, 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

- | | | |
|---|--|--|
| <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 January 30, 2020, Special Meeting of the Richmond Rent Board – Rent Program (Cynthia Shaw 620-5552).

AGENDA ITEM NO:

F-2.

RICHMOND, CALIFORNIA, January 30, 2020

The Special Meeting of the Richmond Rent Board was called to order at 6:01 P.M.

PLEDGE TO THE FLAG

ROLL CALL

Present: Boardmembers Conner, Finlay, Duncan, and Chair Maddock.

Absent: Vice Chair Gerould.

STATEMENT OF CONFLICT OF INTEREST

None.

AGENDA REVIEW

None.

PUBLIC FORUM

Cordell Hindler invited the Rent Board to attend the Council of Industries monthly luncheon, held at the Hotel Mac during the month of February. He also mentioned a presentation by staff regarding other Rent Control jurisdictions and their Boardmembers receiving stipends for their service, that was presented to the Board at a previous meeting and suggested that our Rent Boardmembers should receive some sort of stipend for their service. He also invited Boardmembers to attend the Contra Costa Mayors Conference, held in the City of Pittsburgh at the California Theatre also held during the month of February.

Sammie Calloway expressed concerns regarding false claims of exemption in regards to his property. He mentioned that he rents two bedrooms in his house and one of the Tenants filed paperwork with the Rent Program claiming that the property is not a single family home and has additional units on the property. He also mentioned that he went to the Rent Program office to receive information regarding his property and then provided that information to the Tenants. He mentioned that one of the Tenants had stopped pursuing the claims after receiving the information he gave and then went back to the Rent Program office to file another claim. He also mentioned that he went to the City of Richmond Building Department to schedule an appointment with an inspector

to come to his home to see that he has no additional units and is not covered under Rent Control. He mentioned that Pat Carter from the Building Department came out to make a report to show that he does not have additional units and should not be billed for additional units. He also mentioned that the Rent Program is still pursuing a claim against him, even though he provided evidence that he has two bedrooms and no additional units. He also mentioned that the Rent Program came to his home to conduct an on-site visit of the property and saw that there are no additional units on the property yet they are still pursuing this case against him. He mentioned that he would like to know what right the Rent Program has to interfere in any business conducted in his home when he is not under Rent Control.

Vincent Lau asked questions regarding the new statewide rent control law in regards to the 5% increase plus inflation. He asked if Richmond is subject to this increase as well or are Landlords still only allowed to charge 3.6%? Chair Maddock approved to stop the 2 minute time limit for his comment to allow Executive Director Nicolas Traylor to address Mr. Lau's questions. Mr. Traylor gave a brief overview about AB 1482 and informed him that properties in jurisdictions with their own rent control laws are generally exempt from AB 1482. Mr. Traylor also informed him that the new law cannot supersede the Rent Ordinance. Mr. Traylor also informed Mr. Lau that the 3.5% still applies to Richmond. Mr. Traylor added that the 5% plus CPI applies to units in other cities and possibly to some properties in Richmond who are not covered by any rent control law. Mr. Traylor also mentioned that approximately 700 units may be covered under AB 1482 and partially covered by Richmond Rent Ordinance. Mr. Traylor also mentioned that those types of properties may have Just Cause for Eviction protections under the Richmond Rent Ordinance and rent control protections under the new state law or anti-rent gouging law. Mr. Traylor added that the new law is considered an anti-rent gouging law rather than rent stabilization. Mr. Lau ask the question, is the allowed rent increase of 3.6% going to be the increase amount forever or will it change to add the 5% to it? Chair Maddock allow one additional minute for Mr. Traylor to respond. Mr. Traylor informed him that the Annual General Adjustment changes every year since it is based on 100% of the CPI which is the inflation in the Bay Area, and could be potentially higher than 3.6% next year or it could also go down, depending on what the inflation is in the Bay Area. Mr. Traylor also mentioned that the only way the Annual General Adjustment rule can be changed is if the voters make that change to the Ordinance. Mr. Lau added that a few years ago he rolled back the

rents and he was never able to catch up from it because of property bills which equals to more than 3.6 %. Mr. Traylor responded and recommended that he contact the Rent Program and speak with one of our Rent Services Analyst to discuss his options in terms of filing a petition for Maintenance of Net Operating Income to increase the rent.

CONSIDERATION OF APPEALS

F-1. Staff Attorney Charles Oshinuga presented on the matter of Appeal regarding Petition No. RC19-T028. Landlord appealed a Hearing Examiner's Decision that found the Landlord liable for excess rent due to a failure to return Tenant's security deposit and existing habitability conditions. Specifically, the Hearing Examiner found the Landlord improperly withheld Tenant's security deposit and ordered an Excess Rent refund in the amount of \$1,100. Additionally, the Hearing Examiner found that the Tenant's Rental Unit contained substantial deterioration and inadequate Housing Services in the form of (1) mold/mildew on Respondent's personal items as well as on various windows, walls, baseboards of the master bedroom; (2) water leaking from the walls; and (3) unpainted portions of bedroom walls. Based on these forms of substantial deterioration and inadequate Housing Services, the Hearing Examiner awarded the Tenant Excess Rent in the amount of \$940.71. In sum, the Hearing Examiner awarded Tenant a total of \$2,040.71. There were no public comments on this item. All parties to the case were present. The appeal hearing began and the following individuals presented their case: Darrick Chavis and Nina McBride. After hearing the issues brought on appeal and considering the testimony of all parties on appeal, the Board moved to affirm the Hearing Examiner's findings related to habitability and reverse the Hearing Examiner's total award of Excess Rent from \$2,040.71 to \$0.

REPORTS OF OFFICERS

Executive Director Nicolas Traylor gave a brief report on the upcoming workshop titled "Rights and Responsibilities for Richmond Tenants" scheduled for Saturday, February 1, 2020. Deputy Director Paige Roosa added that she and other staff will begin working with financial consultant Kevin Harper CPA & Associates during the week of February 3rd to create financial projections and recommendations for best practices for the Board to insure that we can build up our reserves accordingly. Executive Director Traylor added that we will be beginning the process of

budget discussions among staff and in the next couple of months we will be presenting on preliminary budget options for the Board.

ADJOURNMENT

There being no further business, the meeting adjourned at 7:01 P.M.

Cynthia Shaw and Mónica Bejarano
Staff Clerks

(SEAL)

Approved:

Lauren Maddock, Chair