

# AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: July 20, 2022

Final Decision Date Deadline: July 20, 2022

**STATEMENT OF THE ISSUE:** The minutes of the June 15, 2022, Regular Meeting of the Richmond Rent Board require approval.

## INDICATE APPROPRIATE BODY

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

## ITEM

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

**RECOMMENDED ACTION:** APPROVE the minutes of the June 15, 2022, Regular Meeting of the Richmond Rent Board – Rent Program (Cynthia Shaw 620-5552).

AGENDA ITEM NO:

**F-1.**

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**RICHMOND, CALIFORNIA, June 15, 2022**

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

Due to the coronavirus (Covid-19) pandemic, Contra Costa County and Governor Gavin Newsom have issued multiple orders requiring sheltering in place, social distancing, and reduction of person-to-person contact. Accordingly, Governor Gavin Newsom has issued executive orders that allow cities to hold public meetings via teleconferencing.

Public comments were confined to items appeared on the agenda and were limited to the methods provided below. DUE TO THE SHELTER IN PLACE ORDERS, and consistent with Executive Order N29-20, the meeting utilized video/teleconferencing only. The following provides information on how the public participated in this meeting.

The public was able to view the meeting using Zoom at the following link:

<https://us02web.zoom.us/j/87857326996?pwd=WXc2N0R4NzVISmpQdDdWSVV0aFB0QT09>  
Password: rentboard

**Or By Telephone:**

US: +1 669 900 9128 or +1 253 215 8782 or +1 346 248 7799 or  
+1 646 558 8656 or +1 301 715 8592 or +1 312 626 6799  
Webinar ID: 878 5732 6996

International numbers available:

<https://us02web.zoom.us/j/kCH8LVghe>

Community members who wished to make a public comment were required to submit their comments via email by 3:00 p.m. on Wednesday, June 15, 2022, to the Rent Board Clerk, Cynthia Shaw at [cynthia\\_shaw@ci.richmond.ca.us](mailto:cynthia_shaw@ci.richmond.ca.us), to be considered into the record.

**PLEDGE TO THE FLAG**

**ROLL CALL**

**Board Members Present:** Conner, Johnson, Vasilas, and Chair Finlay.

**Staff Present:** General Counsel Charles Oshinuga, Deputy Director Fred Tran, and Executive Director Nicolas Traylor.

**Absent:** Vice Chair Mishek and Staff Attorney Palomar Sanchez.

**STATEMENT OF CONFLICT OF INTEREST**

None.

**AGENDA REVIEW**

On a motion of Chair Finlay approve the Consent Calendar Items F-1 through F-5 and remove Items F-6 and F-7 from Consent Calendar for discussion before Item G-1 under Contracts. A friendly amendment made by Rent Board Clerk Cynthia Shaw to make a motion on the removal of Items F-5 and F-6 only and not to make a motion on approval of Consent Calendar since there were public speakers for Consent Calendar Items. Chair Finlay withdrew her motion.

A new motion by Board Member Conner, seconded by Board Member Vasilas to remove Item F-6 and F-7 from Consent Calendar for discussion before Item G-1 under Contracts, passed by the following vote: **Ayes:** Board Members Conner, Johnson, Vasilas, and Chair Finlay. **Noes:** None. **Abstentions:** None. **Absent:** Vice Chair Mishek.

**PUBLIC FORUM**

Abby Sukarto expressed concerns about the MNOI filings. She mentioned she didn't realize that for the 2019 year, she had to file for 2020. She also said she had an unfortunate life event in 2020 and couldn't make the MNOI filing a priority because her partner was in the hospital and then passed away. She mentioned that for 2022, she would like to file a MNOI for expenses of up to \$60,000 on her rental property, which is currently under market rate. She also mentioned that she spent a lot of money on capital improvements. She stated when she spoke to a Rent Program Housing Counselor, she was told she would not be able to file based on the MNOI Regulation. She mentioned that she doesn't want to lose the ability to increase the rent based on the Capital Improvements she has made on the property. She also said she had capital improvements made in 2021 and couldn't file for that year because the base year has to be changed from the last MNOI base year filed. She would like the Board to consider changing the

current year to allow flexibility, at least up to three years for a landlord to file, and tenants receive the benefits of the delays.

Before calling the next public speaker, Chair Finlay asked if Ms. Sukarto could stay in the meeting to make another public comment under Item H-1 for Rent Board as a whole regarding the MNOI item. Ms. Sukarto agreed to stay in the meeting and address her concerns under that item. General Counsel Charles Oshinuga added that a public member could speak on any issues during Public Forum, whether on the agenda or not. He also stated if Ms. Sukarto wishes to stay and make her comment on the MNOI item again, it's okay if she wants. He also added that Item H-1 is not a hearing. Chair Finlay stated that Ms. Sukarto would be allowed to comment again under Item H-1.

Cordell Hindler restated his comments from the May meeting about Consent Calendar Item F-5 regarding City legislative bodies continuing to meet via videoconference and teleconference. He mentioned that he researched other cities, and they have been conducting hybrid meetings for months with success. He feels holding hybrid meetings would be beneficial because other cities have implemented and feels the Rent Board should do the same. He added the public could come into the chambers and other members of the public could be called into the meeting. He feels it would be easier. Cordell invited the Board to attend the El Cerrito Chamber of Commerce Luncheon on June 22nd, held at El Mono Restaurant in El Cerrito. He hoped the Rent Board would consider a hybrid method for meetings to get more participation from the community.

Iлона Clark reiterated her point regarding the economic incentives that the Rent Board staff must increase the Rent Control budget and justify it on paper. She added that it speaks to the amount of salary they can justify for themselves, the number of people they can hire, and the burden put on the future of Richmond's economic health and consider people who are not needed and hired for services that are duplicate. She added that it would become clear with her future comments about the items in the meeting.

**RENT BOARD CONSENT CALENDAR**

On motion of Board Member Johnson, seconded by Board Member Conner, the item(s) marked with an (\*) were approved with Vice Chair Mishek absent:

\*F-1. Approve the minutes of the May 18, 2022, Regular Meeting of the Richmond Rent Board.

\*F-2. Approve the minutes of the May 31, 2022, Special Meeting of the Richmond Rent Board.

\*F-3. Receive the Fiscal Year 2021-22 Monthly Activity Report through May 2022.

\*F-4. Receive the Rent Program FY 2021-22 Monthly Revenue and Expenditure Report through May 2022.

\*F-5. Approve a resolution making the required findings pursuant to Government Code Section 54953(e)(3) and determining that the continued threat to public health and safety posed by the spread of COVID-19, City legislative bodies shall continue to meet via videoconference and teleconference.

**CONTRACT**

F-6. The matter to approve contract for interpretation services with Interpreters Unlimited with a payment limit not to exceed \$8,000 for Fiscal Year 2022-23 (July 1, 2022 – June 30, 2023) was requested to be removed from Consent Calendar by Board Member Conner. Board Member Conner requested that this item be removed from Consent Calendar because she was concerned about the costs associated with translation services and would like clarification about why we need two separate contracts for this service. She also would like Executive Director Nicolas Traylor to clarify the fiscal impact of the different contracts. Executive Director Nicolas Traylor responded that we have separate interpretation and translation contracts for different purposes. He stated the Spanish Group has ongoing written translation services, upon requests from staff, for workshops, outreach materials, hearings decisions, settlement agreements, letters, or any documentation that requires written language translation. Interpreters Unlimited provides verbal interpretation services for hearings, appeals, and community workshops in over 100 languages via zoom, person, or telephone. They provide a

more comprehensive service in terms of the ability to secure an interpreter for a petition hearing, appeal, or any other type of event that may require an interpreter for an extended time. He also said that we would need a secured connection with hearings and appeals, and they provide those services. He stated the costs with translation services provided by the city, ULG, and they provide a type of on-demand verbal interpretations service used mainly for tenant and landlord counseling sessions. We decided it was important to have a reliable service for hearings and appeals to avoid dropping the call. They only accept inbound calls, and the interpreters were not allowed to call back. Their services are minimal, and they are unable to fulfill our needs. The Spanish Group is used for written translations, Interpreters Unlimited is used for scheduled verbal translation, and ULG is used when verbal interpretations are needed for counseling. The following individual gave public comment: Ilona Clark. Discussion ensued. A motion by Board Member Johnson, seconded by Chair Finlay, to approve the contract for interpretation services with Interpreters Unlimited with a payment limit not to exceed \$8,000 for Fiscal Year 2022-23 (July 1, 2022 – June 30, 2023), passed by the following vote: **Ayes:** Board Members Conner, Johnson, Vasilas, and Chair Finlay. **Noes:** None. **Abstentions:** None. **Absent:** Vice Chair Mishek.

F-7. The matter to approve a contract for translation services with The Spanish Group, LLC in an amount not to exceed \$6,000 for the Fiscal Year 2022-23 (July 1, 2022-June 30, 2023) was requested to be removed from the Consent Calendar by Board member Conner because she would like clarification of the difference between the two contracts for interpretation and translation services (Items F-6 and Item F-7) and would like to know the costs associated with this contract. The following individual gave public comment: Ilona Clark. A comment by Board Member Vasilas asked if it would be too much to ask our bilingual staff to provide interpretation and translation services, or do we need to have a specific type of service? Executive Director Nicolas Traylor responded that our staff does not have the bandwidth to handle the amount of translation that would be required. He added that staff is certified to provide bilingual interpretation but not certified to provide written translations. Staff work is limited to providing translation primarily in Spanish in their counseling sessions. He also added that the amount of material we provide is very significant, and staff would not have the bandwidth for that task. Board Member Conner also

commented that she is curious about the cost associated with this contract because she didn't see it as an attachment to the item and would like additional information about it. Rent Board Clerk Cynthia Shaw mentioned that since this contract was an Amendment, the original RFP was not included as an attachment. She will research the hourly cost information for this service and report back before the end of the meeting. Board Member Conner agreed to move the item because she would like to get a better idea of what is being spent. A motion by Board Member Conner, seconded by Board Member Vasilas to move Item F-7 from Contracts for further discussion under Item I for Reports of Officers, passed by the following vote: **Ayes:** Board Members Conner, Johnson, Vasilas, and Chair Finlay. **Noes:** None. **Abstentions:** None. **Absent:** Vice Chair Mishek.

G-1. The matter to approve an amendment to the contract for community legal services with the Eviction Defense Center, increasing the contract amount by \$125,000 for Fiscal Year 2022-23, to a total not to exceed \$581,244, and modifying the term to commence on July 1, 2022, through June 30, 2023, was presented by Eviction Defense Executive Director Anne Omura. The presentation included information about the scope of services they provided the Richmond Community during the Fiscal Year 2021-2022. Discussion ensued. The following individual gave a comment: Ilona Clark.

A motion by Chair Finlay to approve an amendment to the contract for community legal services with the Eviction Defense Center, increasing the contract amount by \$125,000 for Fiscal Year 2022-23, to a total not to exceed \$581,244, and modifying the term to commence on July 1, 2022, through June 30, 2023.

Board Member Conner made a friendly amendment to consider this contract alongside the Bay Area Legal Aid contract at the July 20, 2022, Rent Board meeting to compare contracts and services. Before responding to the amendment, Chair Finlay asked staff what the ramifications are if the Contract Item is moved for discussion at the next month's Board meeting to address Board Member Conner's concerns. General Counsel Charles Oshinuga responded that the friendly amendment made by Board Member Conner would be considered a substitute motion, Chair Finlay could withdraw her motion, and Board Member Conner could make a new motion because that motion was amending the current one. He also mentioned that one of the consequences would be that

EDC would not be funded for the first month or two, and they would not be obliged to provide any services while they are not being funded. He also added that he is unsure about the procurement side and how it would impact the contract if it would need to be renewed because it expired prior to the extension or if it could still extend it.

After discussion and comments among staff and Board Members, Board Member Conner mentioned that her motion was not a friendly amendment. It was a substitute motion, and she withdrew her motion.

After hearing comments from Board Members and Staff, Chair Finlay left her motion as is and asked for a second to her motion. Motion seconded by Board Member Johnson to approve an amendment to the contract for community legal services with the Eviction Defense Center, increasing the contract amount by \$125,000 for Fiscal Year 2022-23, to not exceed \$581,244, and modifying the term to commence on July 1, 2022, through June 30, 2023, passed by the following vote: **Ayes:** Board Members Johnson, Vasilas, and Chair Finlay. **Noes:** None. **Abstentions:** Board Member Conner. **Absent:** Vice Chair Mishek.

### **RENT BOARD AS A WHOLE**

H-1. The matter to direct staff to grant an exception to the MNOI application time restrictions for Raymond "Jimmy" Smith, allowing him to reapply for a MNOI petition for current year, including the specific capital expenditures from the prior year on was presented by Board Member Vasilas. Board Member Vasilas gave a summary of the situation. He mentioned that he was contacted by Mr. Smith about his MNOI petition for capital improvements being denied because the filing was not during the year the work was performed. He was denied filing the petition and the right to any rent increases on his units. Board Member Vasilas's concern is that during that time, there was a lot of disruption in the City and all the services, and he feels we provided a lot of exceptions for tenants during that time and feels this is a good example for the Board's authority to be used for the right purpose, allowing him to reapply and go through the process. The following individuals gave comments: Jimmy Smith, Richard Alexander, Ilona Clark, and Abby Sukarto. Discussion ensued. Chair Finlay made a motion directing staff to return to the Board with a study session item for a possible revision of the regulation. A friendly amendment by Board Member Vasilas to make an

exception to Mr. Smith's request for filing the MNOI petition. General Counsel Charles Oshinuga added that the motion would be considered a substitute motion, not a friendly amendment. Chair Finlay did not accept his substitute motion. General Counsel Charles Oshinuga clarified to Chair Finlay that for a friendly amendment the maker of the motion has the discretion to accept or reject the friendly amendment. But for substitute motions, any Board Member can make a substitute motion, and no one can reject or accept it. Once the substitute motion is made, that motion takes precedence.

Board Member Vasilas made a substitute motion directing staff to grant an exception to the MNOI petition time restrictions for Ray "Jimmy" Smith, allowing him to reapply for the MNOI petition this current year and incorporating his specific capital expenditures accrued from years prior on the subject building and staff schedule a study session with the Board to revisit the MNOI Regulation and to understand the possible issues and find ways to make this process better for everyone.

Board Member Conner requested clarification prior to the second motion. She wanted to know if we take this action that Board Member Vasilas is proposing that we are not putting ourselves in a position of legal exposure or creating a situation where this petition can't be resolved because of other regulations that may impact the analysis. She was concerned that if we make the exception, this petition may still be denied.

General Counsel Charles Oshinuga responded that the exception would make the exception not just one part of the regulations; it would make exceptions to several parts of the regulations. He mentioned that we don't have a working rule in place and wasn't sure how it would play out. Including costs from years prior to current year might be problematic, and we should understand how MNOI works prior to making any exceptions or revisions. We could schedule a special meeting relatively soon if time is of the essence. Board Member Vasilas said he would feel better if we could meet sooner instead of dragging this issue meeting after meeting. Discussions among Board Members and staff regarding a date for a Special Meeting.

Rent Board Clerk Cynthia Shaw polled Board Members present for their availability for a Special Meeting to be held on Thursday, June 23, 2022, at 5:00 PM. Mrs. Shaw agreed to reach out to Vice Chair Mishek to ask about her availability.

All Board Members present agreed to hold a special meeting on Thursday, June 23 at 5:00 PM.

Board Member Vasilas withdrew his substitute motion. Chair Finlay made a motion that the Board will hold a Special Meeting on Thursday, June 23, 2022, at 5:00 PM to receive training on MNOI and discussion regarding amending the MNOI Regulation.

A friendly amendment to include an exception to grant the MNOI petition time restrictions for Ray “Jimmy” Smith, allowing him to reapply for the MNOI petition as an action item at the Special Meeting held on June 23.

Chair Finlay did not accept the friendly amendment but amended her motion to include the Special Meeting date, Thursday, June 23, 2022, at 5:00 PM. Motion seconded by Board Member Johnson, passed by the following vote: **Ayes:** Board Members Conner, Johnson, Vasilas, and Chair Finlay. **Noes:** None. **Abstentions:** None. **Absent:** Vice Chair Mishek.

F-7. The matter to approve contract for translation services with The Spanish Group, LLC in an amount not to exceed \$6,000 for the Fiscal Year 2022-23 (July 1, 2022-June 30, 2023) was requested to be moved by Board Member Conner. She requested to move this item for further discussion before Reports of Office because she wanted to know the hourly cost associated with the contract. Executive Director presented the rates page from the RFP to show that the costs are based on the price per word, not per hour. A motion by Board Member Conner, seconded by Board Member Johnson, to approve the contract for translation services with The Spanish Group, LLC in an amount not to exceed \$6,000 for the Fiscal Year 2022-23 (July 1, 2022-June 30, 2023), passed by the following vote: **Ayes:** Board Members Conner, Johnson, Vasilas, and Chair Finlay. **Noes:** None. **Abstentions:** None. **Absent:** Vice Chair Mishek.

### **REPORTS OF OFFICERS**

Executive Director Nicolas Traylor gave a brief report about the upcoming pre-recorded workshop on July 29, 2022, titled “How to Increase Rents Richmond.” He mentioned that this workshop is Landlords oriented to include a discussion on the Annual General Adjustments and MNOI.

**ADJOURNMENT**

There being no further business, the meeting adjourned at  
7:33 P.M.

Cynthia Shaw  
Staff Clerk

(SEAL)

Approved:

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Virginia Finlay, Rent Board Chair