

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: December 21, 2022

Final Decision Date Deadline: December 21, 2022

STATEMENT OF THE ISSUE: Statement of the Issue: At the November 17, 2021, Regular Meeting of the Richmond Rent Board, the Board adopted Regulation 425, titled, "Waiver of Delinquent Residential Housing Fee Assessment. As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation, for the month of November 2022, are the compiled late fee waiver requests and associated documentation.

INDICATE APPROPRIATE BODY

- | | | | | |
|---|---|--|--|---|
| ☐ City Council | ☐ Redevelopment Agency | ☐ Housing Authority | ☐ Surplus Property Authority | ☐ Joint Powers Financing Authority |
| ☐ Finance Standing Committee | ☐ Public Safety Public Services Standing Committee | ☐ Local Reuse Authority | ☒ Other: <u>Rent Board</u> | |

ITEM

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

RECOMMENDED ACTION: APPROVE late fee waiver(s) for November 2022 pursuant for Regulation 425 - Rent Program (Nicolas Traylor/510-620-6564). ***This item was continued from the November 16, 2022, meeting.***

AGENDA ITEM NO:

F-6.

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Late Fee Waiver Summary – December 2022 Regular Board Meeting

Property Street	Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
1 Bayview Ave./Gately Ave./Hartnett Ave.	Crescent Park EAH LP	October 17, 2022	Unable to collect due to COVID-19, paid invoice	Full waiver of late fees	\$12,001.50	\$12,001.50	None
2 621 21st St. & 1803-1805 Roosevelt Ave.	Xiao Ling Zhou	October 18, 2022	Other - Owner thought due date was later	Full waiver of late fees	\$57.90	\$57.90	None
3 768 Yuba St.	Barbara A Tucker	August 26, 2022	Owner mailed a check and paid invoice	Full waiver of late fees	\$61.50	\$61.50	None
4 5024 Mozart Drive	Sunny Leung	August 19, 2022	Owner did not receive invoice	Full waiver of late fees	\$61.50	\$61.50	None
5 5504 Conestoga Way	Kurt Worthington	September 22, 2022	Other - Owner thought due date was later	Partial Waiver to the 10% penalty level	\$61.50	\$36.50	\$25.00

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation - Crescent Park EAH LP

Date: December 21, 2022

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for November 2022:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Crescent Park EAH LP	October 17, 2022	Unable to collect due to COVID-19, paid invoice	Full waiver of late fees	\$12,001.50	\$12,001.50	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of “Good Cause”

In the request dated October 17, 2022 (Attachment 1) Bipin Patel with Crescent Park EAH LP indicated that they were unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. Rent Program Staff verified a payment was made for the current fiscal year’s outstanding Residential Rental Housing Fee on October 21, 2022, in an amount of \$48,006.00.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 435 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Rent Program Staff verified Crescent Park EAH LP had paid timely during the last (4) four fiscal years.

Evaluation of Owner’s Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord’s control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor’s Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant’s ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Crescent Park EAH LP owns and operates numerous multi-family Government-Subsidized units throughout the City of Richmond. Rent Program Staff confirmed six Property Enrollment forms were submitted to comply with requirements.

Rent Program Staff verified a payment was made for the current fiscal year's outstanding Residential Rental Housing Fee on October 21, 2022, in an amount of \$48,006.00.

Rent Program Staff confirmed Crescent Park EAH LP timely paid invoices during the last (4) four fiscal years which demonstrated a Good Cause and warrants a waiver of late fees.

Staff Recommendation

Crescent Park EAH LP has shown good faith efforts to come into compliance by contacting the Rent Program to inquire about their invoices, paying the unpaid Rental Housing Fees due, and submitting the Property Enrollment forms for their numerous multi-family Government-subsidized units. Considering these factors, staff recommend that a full waiver of late fees, in the amount of \$12,000.50 be granted.

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Request to Remove Late Fees

Property Owner Name: CRESCENT PARK EAH LP

FRJC #: _____

Property Owner Phone Number or Email: _____

The Property Owner has requested the removal of late fees on their account totaling \$ 12,001.50 for the following reason:

- ☐ New Owner, did not receive invoice
- ☐ Wrong Mailing Address
- ☐ Owner believed property was exempt from the Rent Ordinance
- ☐ Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlords actions, bankruptcies and disputes over ownership of the property.
- ☐ Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- ☐ The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- ☐ A previously enrolled property was not billed as a result of staff error.
- ☐ An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- ☐ The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- ☒ The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)
- ☐ Other: _____

Declaration & Signature:

I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager: Bipin Patel Digitally signed by Bipin Patel
Date: 2022.10.17 07:03:37 -07'00' Date: 10 / 17 / 2022

Printed Name: Bipin Patel

Rent Program Staff Use Only:

This request has been conditionally granted by the Rent Board, provided the owner pays the Rental Housing Fee before _____.

Executive Director Signature: _____ Staff Initials: _____

Date: ____ / ____ / ____

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation - 621 21st St. and 1803-1805 Roosevelt Ave.

Date: December 21, 2022

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for November 2022:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Xiao Ling Zhou	October 18, 2022	Other - Owner thought due date was later	Full waiver of late fees	\$57.90	\$57.90	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of “Good Cause”

Rent Program staff received a completed Request to Remove Late Fees dated October 18, 2022 (Attachment 1) from Xiao Ling Zhou the property owner of 621 21st St. & 1803-1805 Roosevelt Avenue. Xiao Ling Zhou indicated that the reason for paying late was that the owner was taking care of a sick relative and did not realize the annual Rental Housing Fee Invoice was due.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 435 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Xiao Ling Zhou had paid timely during the last (4) four fiscal years.

Evaluation of Owner’s Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord’s control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor’s Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant’s ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff verified with Contra Costa County records that 621 21st St. is a Residential Single-Family built in 1918. Rent Program staff also verified with Contra Costa County records that 1803-1805 Roosevelt Ave. is a Duplex built in 1923. Rent Program staff confirmed that Xiao Ling Zhou paid the unpaid fees (minus late fees) for both properties on October 17, 2022. Rent Program staff confirmed 621 21st St. and

1803-1805 Roosevelt Ave. were enrolled with the Richmond Rent Program on December 26, 2018. 1803-1805 Roosevelt Ave. Tenancy Registration was completed with the Rent Program on December 26, 2018. Based on the above-mentioned facts, Xiao Ling Zhou has demonstrated a Good Cause that warrants a waiver of late fees with timely paid invoices during the last (4) four fiscal years.

Staff Recommendation

Xiao Ling Zhou has shown good faith efforts to come into compliance, by contacting the Rent Program to inquire about the invoice, paying the unpaid Rental Housing Fees due, completing the Tenancy Registration, and submitting the Property Enrollment form. Considering these factors, staff recommends that a full waiver of late fees, in the amount of \$57.90 be granted.

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Request to Remove Late Fees

Property Owner Name: XIAO LING ZHOU

FRJC #: [REDACTED]

Property Owner: [REDACTED]

The Property Owner has requested the removal of late fees on their account totaling \$ 57.90 for the following reason:

- ☐ New Owner, did not receive invoice
- ☐ Wrong Mailing Address
- ☐ Owner believed property was exempt from the Rent Ordinance
- ☐ Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlords actions, bankruptcies and disputes over ownership of the property.
- ☐ Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- ☐ The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- ☐ A previously enrolled property was not billed as a result of staff error.
- ☐ An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- ☐ The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- ☐ The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)

☒ Other: I took care very sick relative for couple months, I am so sorry when I get to the invoice I am already late for this bill, kindly requested Courtesy

Declaration & Signature:

I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager: [Signature]

Date: 10 / 18 / 2022

Printed Name: XIAO LING ZHOU

Rent Program Staff Use Only:

This request has been conditionally granted by the Rent Board, provided the owner pays the Rental Housing Fee before _____.

Executive Director Signature: _____

Staff Initials: _____

Date: ____/____/____

Thank you
Very much

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation - 768 Yuba St.

Date: December 21, 2022

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for November 2022:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Barbara A Tucker	August 26, 2022	Owner mailed a check and paid invoice	Full waiver of late fees	\$61.50	\$61.50	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of “Good Cause”

In the request dated August 26, 2022, (Attachment 1) Barbara A Tucker, the property owners at 768 Yuba St., indicated that a check was mailed out on July 13, 2021, for prior fiscal year’s invoice. A payment was made for current and prior fiscal year fees when it was discovered the check was not cashed. Rent Program staff confirmed Barbara A Tucker paid the base Residential Rental Housing Fees for Fiscal Years 2021-2022 and 2022-2023 on September 13, 2022.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 435 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Barbara A Tucker had paid timely during the last (4) four fiscal years.

Evaluation of Owner’s Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord’s control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor’s Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant’s ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff verified with Contra Costa County records that 768 Yuba Street is a Residential Single-Family built in 1955. Rent Program staff confirmed Barbara A Tucker paid the base Residential Rental Housing Fees for Fiscal Years 2021-2022 and 2022-2023 on September 13, 2022.

Barbara A Tucker, the property owners at 768 Yuba St., indicated that a check was mailed out on July 13, 2021, for prior fiscal year's invoice. A payment was made for current and prior fiscal year fees when they discovered the check was not cashed. Rent Program staff confirmed that Barbara A Tucker enrolled the property with the Richmond Rent Program on November 3, 2022. Barbara A Tucker has demonstrated a Good Cause that warrants a waiver of late fees with timely paid invoices during the last (4) four fiscal years.

Staff Recommendation

Barbara A Tucker has shown good faith efforts to come into compliance, by contacting the Rent Program to inquire about the invoices, paying the unpaid Rental Housing Fees due, and submitting the Property Enrollment form. Considering these factors, staff recommends that a full waiver of late fees, in the amount of \$61.50 be granted.

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Request to Remove Late Fees

Property Owner Name: BARBARA A TUCKER TRUSTEE

FRJC #: [REDACTED]

Property C: [REDACTED]

The Property Owner has requested the removal of late fees on their account totaling \$ 6150
for the following reason:

- ☐ New Owner, did not receive invoice
- ☐ Wrong Mailing Address
- ☐ Owner believed property was exempt from the Rent Ordinance
- ☐ Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlords actions, bankruptcies and disputes over ownership of the property.
- ☐ Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- ☐ The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- ☐ A previously enrolled property was not billed as a result of staff error.
- ☐ An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- ☐ The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- ☐ The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)

CHECK WAS
NEVER
RETURNED
TO ME

☒ Other: check # 907 was mailed 7/13/21

THEN IN AUGUST 2021 I WAS HOSPITALIZED w/ COVID-19 PNEUMONIA - NEVER RECEIVED ANY LATE OR NON-PAYMENT

Declaration & Signature:

I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager: Barbara A Tucker Date: 8/26/2022

Printed Name: BARBARA A TUCKER, TRUSTEE

NOTICE
TIL THIS
YEARS
INVOICE

Rent Program Staff Use Only:

This request has been conditionally granted by the Rent Board, provided the owner pays the Rental Housing Fee before _____.

Executive Director Signature: _____

Staff Initials: _____

Date: ____/____/____

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation - 5024 Mozart Drive

Date: December 21, 2022

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for November 2022:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Sunny Leung	August 19, 2022	Owner did not receive invoice	Full waiver of late fees	\$61.50	\$61.50	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of “Good Cause”

Rent Program staff received a completed Request to Remove Late Fees dated August 19, 2022, from Sunny Leung the property owner at 5024 Mozart Drive. Sunny indicated that the reason for paying late was that the owner did not receive an invoice last year.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 435 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Sunny Leung had paid timely during the last (4) four fiscal years.

Evaluation of Owner’s Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord’s control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor’s Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant’s ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff verified with Contra Costa County records that 5024 Mozart Drive is a Residential Single-Family built in 1981. Rent Program staff confirmed that Sunny Leung paid the unpaid fees (minus late fees) on August 18, 2022, and enrolled the property with the Richmond Rent Program on December 16, 2018. Based on the above-mentioned facts, Sunny Leung claims that the invoice from last year was not received. Sunny Leung has demonstrated a Good Cause that warrants a waiver of late fees with timely paid invoices during the last (4) four fiscal years.

Staff Recommendation

Sunny Leung has shown good faith efforts to come into compliance, by contacting the Rent Program to inquire about the invoice, paying the unpaid Rental Housing Fees due, and submitting the Property Enrollment form. Considering these factors, staff recommends that a full waiver of late fees, in the amount of \$61.50 be granted.

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation – 5504 Conestoga Way

Date: December 21, 2022

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for November 2022:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Kurt Worthington	September 22, 2022	Other - Owner thought due date later	Partial Waiver to the 10% penalty level	\$61.50	\$36.50	\$25.00

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of “Good Cause”

In the request dated September 22, 2022, (Attachment 1) Kurt Worthington the property owner at 5504 Conestoga Way indicated that the reason for paying late was that the owner did not realize the annual Rental Housing Fee Invoice was due 30 days from the date of issue. Once he realized the fee was past due, he paid the fees immediately. Kurt also offered to pay the following year Rent Housing Fee.

Rent Program staff confirmed Kurt Worthington met the requirements of enrolling the property on May 15, 2019. Rent Program staff confirmed Kurt Worthington paid the base Residential Rental Housing Fees for Fiscal Years 2021-2022 and 2022-2023 on September 21, 2022.

Upon additional research, Rent Program staff verified a prior late fee waiver had been submitted to the Program and approved on May 19, 2021, for prior years Rental Housing Fee. The reason for the prior submittal was due to “never receiving the initial invoice”.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 435 (D) and (E), provide the factors required when making a determining of good cause.

In this case, timely payments were not made during the last two fiscal years, disallowing the possibility of a ministerial waiver.

Evaluation of Owner’s Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord’s control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*

6. *Whether the requestor's Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant's ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff confirmed Kurt Worthington paid the base Residential Rental Housing Fees for Fiscal Years 2021-2022 and 2022-2023 on September 21, 2022, when he realized the fees were outstanding.

Rent Program staff verified with Contra Costa County records that 5504 Conestoga Way is a Residential Single-Family built in 1986.

Staff Recommendation

Kurt Worthington displayed good faith in his efforts to be in compliance, by contacting the Rent Program to inquire about the invoices, being enrolled with the Rent Program, and paying all past fees due (minus late fees). Staff recommends a partial waiver of the late fees to at least a 10% percent assessment pursuant to Rent Board Regulation 425 G (3). Regulation 425 G (3) requires that if there was one late fee waiver request granted in the prior three fiscal years, the late fee assessment shall be reduced to at least a 10% percent assessment. Since a late fee waiver was previously granted for in May 2021, a 10% late fee penalty of \$25.00 should be assessed.

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Request to Remove Late Fees

Property Owner Name: Kurt Worthington

FRJC #: _____

Property Owner Phone Number or Email: [REDACTED]

The Property Owner has requested the removal of late fees on their account totaling \$61.00 for the following reason:

- ☐ New Owner, did not receive invoice
- ☐ Wrong Mailing Address
- ☐ Owner believed property was exempt from the Rent Ordinance
- ☐ Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlords actions, bankruptcies and disputes over ownership of the property.
- ☐ Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- ☐ The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- ☐ A previously enrolled property was not billed as a result of staff error.
- ☐ An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- ☐ The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- ☐ The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)
- ☒ Other: I just saw the Invoice a week ago and believe it came in around mid august and I thought I had some time to pay it. I even asked if I could pay next years to avoid the confusion but they said they were unable to do that

Declaration & Signature:

I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager: Kurt Worthington Date: 9 / 22 / 2022

Printed Name: Kurt Worthington

Rent Program Staff Use Only:

This request has been conditionally granted by the Rent Board, provided the owner pays the Rental Housing Fee before _____.

Executive Director Signature: _____ Staff Initials: _____

Date: ____ / ____ / ____

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