

# AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: March 15, 2023

Final Decision Date Deadline: March 15, 2023

**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 March 2023, are the compiled late fee waiver requests and associated documentation.

## 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 late fee waiver(s) for March 2023 pursuant to Regulation 425 - Rent Program (Fred Tran/510-620-6537).

AGENDA ITEM NO:

**F-4.**

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Late Fee Waiver Summary – March 2023 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 2601 Hilltop Drive	Richmond Essex LP	November 21, 2022	Never Received Invoice	Full waiver of late fees	\$27,432.00	\$27,432.00	None
2 132 Washington Avenue	Tzu Na Sun	October 28, 2022	Never Received Invoice	Full waiver of late fees	\$904.00	\$904.00	None
3 5113 Fallon Ave. 5032 Creely Ave. 303 S 18th St.	Vernita and Marcus Rayon	October 19, 2022	Other - Bill overlooked	Full waiver of late fees	\$70.60	\$70.60	None
4 22 Idaho Street	Anna Misharina	October 28, 2022	Other - Admin. Determination	Full waiver of late fees	\$31.75	\$31.75	None

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation – 2601 Hilltop Drive

Date: March 15, 2023

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 March 2023:

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)
Richmond Essex LP	November 21, 2022	Never Received Invoice	Full waiver of late fees	\$27,432.00	\$27,432.00	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 November 21, 2022, (Attachment 1) Richmond Essex LP the property owner at 2601 Hilltop Drive indicated that they did not receive an invoice due to

a wrong mailing address. Richmond Essex LP paid the base fees in the amount of \$54,864.00 on November 10, 2022, when they were informed of the balance due.

Rent Program staff confirmed Richmond Essex LP met the requirements of enrolling the properties on December 21, 2022. Rent Program staff confirmed Richmond Essex LP paid the base Residential Rental Housing Fees in the amount of \$54,864.00 on November 10, 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 425 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Richmond Essex LP had paid timely during the last (5) five 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 confirmed Richmond Essex LP paid the base Residential Rental Housing Fees in the amount of \$54,864.00 for all outstanding Fiscal Years on November 10, 2022.

Rent Program staff verified with Contra Costa County records that 2601 Hilltop Drive is classified as Residential Apartments (432 Affordable Units) built in 2000.

Richmond Essex LP has demonstrated a Good Cause that warrants a waiver of late fees with timely payments when the invoice was received. The invoice was mailed to the incorrect address due to the system not being updated. Once Richmond Essex LP received the invoice, the balance was paid immediately.

Staff Recommendation

Richmond Essex LP has shown good faith efforts to come into compliance by contacting the Rent Program to inquire about the invoice, paying the Rental Housing Fees when the invoice was received, and submitting a Property Enrollment form. Considering these factors, staff recommends that a full waiver of late fees, in the amount of \$27,432.00 be granted.

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## Request to Remove Late Fees

Property Owner Name: San Marcos

FRJC #: [REDACTED]

Property Owner Phone Number or Email: [REDACTED]

The Property Owner has requested the removal of late fees on their account totaling \$ \_\_\_\_\_  
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: In July 2022, our management team followed up by phone and was informed that we were not outstanding in fees.  
Later, an invoice was sent to a different address vs. our community address. Please waive the late fee as we would have submitted payment in advance in July.

### 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: 11 / 21 / 2022

Printed Name: Anthony Papagna

### 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 – 132 Washington Avenue

Date: March 15, 2023

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 March 2023:

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)
Tzu Na Sun	October 28, 2022	Never Received Invoice	Full waiver of late fees	\$904.00	\$904.00	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 28, 2022, (Attachment 1) Tzu Na Sun the property owner at 132 Washington Avenue indicated that they did not receive an invoice. Tzu Na Sun paid the fees on November 15, 2022, when they were informed of the balance due.

Rent Program staff confirmed Tzu Na Sun met the requirements of enrolling the properties on February 9, 2019. Rent Program staff confirmed Tzu Na Sun paid the FY2022-2023 base Residential Rental Housing Fees on November 15, 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 425 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Tzu Na Sun had paid timely during the last (5) five 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 confirmed Tzu Na Sun paid the base Residential Rental Housing Fees for Fiscal Years 2022-2023 on November 15, 2022.

Rent Program staff verified with Contra Costa County records that 132 Washington Avenue is designated as Retail Sales space on the ground floor and Residential Apartments on the second floor of the building. The mixed-use development was built in 1930.

Tzu Na Sun has demonstrated a Good Cause that warrants a waiver of late fees with a timely payment when the invoice was received. The invoice was never received by Tzu

Na Sun per the Late Fee Waiver form submitted. Once Tzu Na Sun received the invoice, the balance was paid immediately.

Staff Recommendation

Tzu Na Sun has demonstrated good faith efforts to come into compliance by contacting the Rent Program to inquire about the invoice, paying the Rental Housing Fees when the invoice was received, and completing a Property Enrollment form. Considering these factors, staff recommends that a full waiver of late fees, in the amount of \$904.00 be granted.

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Request to Remove Late Fees

Property Owner Name: SUN SHIH CHZEN & TZU NA TRE

FRJC #: [REDACTED]

Property Owner Phone Number or Email: [REDACTED]

The Property Owner has requested the removal of late fees on their account totaling \$ 904<sup>00</sup> 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 Did not receive invoice. I called the department at 10/28/22 to ask and Moises sent invoice by email to me.

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: Tzu Na SUN Date: 10/28/2022

Printed Name: [Signature]

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 – 5113 Fallon Avenue, 5032 Creely Avenue,  
and 303 S. 18th Street

Date: March 15, 2023

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 March 2023:

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)
Vernita and Marcus Rayon	October 19, 2022	Other – Bill Overlooked	Full waiver of late fees	\$70.60	\$70.60	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 19, 2022, (Attachment 1) Vernita Rayon the property owner at 5113 Fallon Avenue, 5032 Creely Avenue, and 303 S. 18th Street indicated that the bill was overlooked by mistake then issued a check payment immediately. Vernita Rayon paid the fees on October 20, 2022, when she realized a balance was due on the accounts. Rent Program staff confirmed Vernita Rayon met the requirements of enrolling the properties on January 9, 2019, and March 12, 2022. Rent Program staff confirmed Vernita Rayon paid the outstanding FY2022-2023 base Residential Rental Housing Fees on October 20, 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 425 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Vernita Rayon had paid timely during the last (2) two 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 confirmed Vernita Rayon paid the base Residential Rental Housing Fees for Fiscal Years 2022-2023 on October 20, 2022.

Rent Program staff verified with Contra Costa County records that 5113 Fallon Avenue is designated as Residential Single-Family built in 1962.

Rent Program staff verified with Contra Costa County records that 5032 Creely Avenue is designated as Residential Single-Family built in 1962.

Rent Program staff verified with Contra Costa County records that 303 S. 18th Street is designated as Residential Multiple-Family built in 1941.

Vernita Rayon has demonstrated a Good Cause that warrants a waiver of late fees with a timely payment during the last (2) two fiscal years.

Staff Recommendation

Vernita Rayon has demonstrated good faith efforts to come into compliance by contacting the Rent Program to inquire about the invoice, paying the Rental Housing Fees in full (minus late fees), and completing the Property Enrollment forms. Considering these factors, staff recommends that a full waiver of late fees in the amount of \$70.60 be granted.

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### Request to Remove Late Fees

Property Owner Name: Marcus/Venita Rayon  
FRJC #: [REDACTED]  
Property Owner Phone Number or Email: [REDACTED]

The Property Owner has requested the removal of late fees on their account totaling \$ 706.00 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 found bill clearing out drawer, this bill was overlooked by mistake

**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 / 19 / 2022  
Printed Name: Marcus/Venita Rayon

**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 – 22 Idaho Street

Date: March 15, 2023

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 March 2023:

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)
Anna Misharina	October 28, 2022	Paid Other Property Invoice	Full waiver of late fees	\$31.75	\$31.75	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 28, 2022, (Attachment 1) Anna Misharina the property owner at 22 Idaho Street indicated that she believed the fee had already been paid due to her submitting a request for an administrative determination for an owner-occupied unit at a

neighboring property that she resides in. Anna Misharina paid the fees on October 27, 2022, when she was informed by Rent Program staff that a balance due.

Rent Program staff confirmed Anna Misharina met the requirements of enrolling the property on June 16, 2022. Rent Program staff confirmed Anna Misharina paid the FY2022-2023 base Residential Rental Housing Fees on October 27, 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 425 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Anna Misharina has owned the property less than (2) full 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 confirmed Anna Misharina paid the base Residential Rental Housing Fees for Fiscal Years 2022-2023 on October 27, 2022.

Rent Program staff verified with Contra Costa County records that 22 Idaho Street is designated as a Residential Single-Family built in 1903.

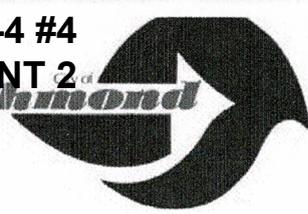
Anna Misharina has demonstrated Good Cause that warrants a waiver of late fees with a timely payment when she realized her invoice was still due even though she had submitted a request for an administrative determination for an owner-occupied unit.

Anna Misharina paid the invoice immediately once she was informed of the outstanding balance.

Staff Recommendation

Anna Misharina has demonstrated good faith efforts to come into compliance by contacting the Rent Program to inquire about the invoice, paying the Rental Housing Fees when the invoice was received, and completing a Property Enrollment form. Considering these factors, staff recommends that a full waiver of late fees, in the amount of \$31.75 be granted.

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Request to Remove Late Fees

Property Owner Name: Anna Misharina

FRJC #: \_\_\_\_\_

Property Owner Phone Number or Email: \_\_\_\_\_

The Property Owner has requested the removal of late fees on their account totaling \$ 31,75 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: Owner Believed the fee had been paid during confusion with owner occupied process for the neighboring property

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: \_\_\_\_\_

Date: 10 / 28 / 2022

Printed Name: Anna Misharina

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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