

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: October 25, 2023

Final Decision Date Deadline: October 25, 2023

STATEMENT OF THE ISSUE: Chapter 2 of the Rent Board Regulation permits owners of Rental Units are permitted to seek a determination of exemption from the Rent Ordinance. In years past, some owners have sought exemption from the Rent Ordinance under the theory that they were nonprofit homes for the aged. Rent Program staff have consistently interpreted this phrase to mean those owners who operate a licensed residential care facility for the elderly. Staff members are proposing an amendment to Chapter 2 of the Rent Board's regulations to codify its historical interpretation of the phrase "nonprofit homes for the aged", to give both owners and staff members more guidance when applying and evaluating claims exemption or inapplicability from the Rent Ordinance.

INDICATE APPROPRIATE BODY

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|---|---|--|--|---|
| <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> | |

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|---|--|---------------------------------|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| <input type="checkbox"/> Public Hearing | <input checked="" type="checkbox"/> Regulation | <input type="checkbox"/> Other: |
| <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: AMEND Chapter 2 Regulations to include a definition of nonprofit homes for the aged, residential care facilities for the elderly, and other related dwellings. – Rent Program (Nicolas Traylor/Charles Oshinuga 620-6564).

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AGENDA REPORT

DATE: October 25, 2023

TO: Chair Cantor and Members of the Rent Board

FROM: Nicolas Traylor, Executive Director
Charles Oshinuga, General Counsel

SUBJECT: REVISED CHAPTER 2 RENT BOARD REGULATIONS

STATEMENT OF THE ISSUE:

Chapter 2 of the Rent Board Regulation permits owners of Rental Units are permitted to seek a determination of exemption from the Rent Ordinance. In years past, some owners have sought exemption from the Rent Ordinance under the theory that they were nonprofit homes for the aged. Rent Program staff have consistently interpreted this phrase to mean those owners who operate a licensed residential care facility for the elderly. Staff members are proposing an amendment to Chapter 2 of the Rent Board's regulations to codify its historical interpretation of the phrase "nonprofit homes for the aged", to give both owners and staff members more guidance when applying and evaluating claims exemption or inapplicability from the Rent Ordinance.

RECOMMENDED ACTION:

AMEND Chapter 2 Regulations to include a definition of nonprofit homes for the aged, residential care facilities for the elderly, and other related dwellings. – Rent Program (Nicolas Traylor/Charles Oshinuga 620-6564).

FISCAL IMPACT:

None

DISCUSSION:

Background and Purpose of Revised Chapter 2 Regulations

Chapter 2 of the Rent Board's adopted regulations, titled "Applicability" was initially adopted in late 2017 to clarify those types of dwelling units fully and partially exempt from the Rent Ordinance. Chapter 2 was later expanded in 2018 to define Rooming and

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Boarding houses and create a process whereby a property owner could request a determination of, and challenge, a unit's exempt status. In 2020, the Rent Board adopted a procedure whereby Landlords could request an exemption from the Rent Ordinance. The basis for exemption is listed in the Ordinance, and consequently, to qualify for an exemption, a landlord would have to demonstrate that they qualified for one of the enumerated basis for exemption. One of these enumerated bases for exemption is nonprofit homes for the aged.

In the past, staff have informed owners that the meaning of nonprofit for the aged is a Rental Unit that is operated as a licensed residential care facility for the elderly. To ensure consistency and efficiency when evaluating applications for exemption from the Rent Ordinance, staff is recommending that the Board amend Chapter 2 of the Regulations to define nonprofit homes for the aged, as a residential care facility for the elderly.

Recommended Action

AMEND Chapter 2 Regulations to include a definition of nonprofit homes for the aged, residential care facilities for the elderly, and other related dwellings.

DOCUMENTS ATTACHED:

Attachment 1 – Proposed Revised Regulation 201

Attachment 2 – Existing Regulation 201

Chapter 2: APPLICABILITY

201. Rental Units Exempt from both the Rent Control (R.M.C § 11.100.070) and Just Cause for Eviction (R.M.C § 11.100.050) Provisions of the Ordinance

- A. Rental Units in hotels, motels, inns, tourist homes and rooming and boarding houses that are rented primarily to transient guests for a period of fewer than 14 days;
- B. Rental Units in any hospital, convent, monastery, extended medical care facility, asylum, or non-profit home for the aged, or dormitory owned and operated by an accredited institution of higher education;

1. For purposes of this Regulation 201(B), “non-profit homes for the aged”, shall mean any residential care facility for the elderly, or skilled nursing facility for the elderly, which is currently licensed as a health care facility under California Administrative Code, Title 22, Division 5, Chapter 3, as amended. A skilled nursing facility for the elderly means a health facility or a distinct part of a hospital which provides the following basic services, skilled nursing care, and supportive care to patients whose primary need is for availability of skilled nursing care on an extended basis. It provides 24-hour in-patient care and, as a minimum, includes medical, nursing, dietary, pharmaceutical services and activity program. Extended medical care facilities and Residential care facilities for the elderly shall not include community care facilities or alcoholic or drug rehabilitation or detoxification centers. A community care facility means a facility which is maintained and operated to provide non-medical residential care. Alcohol and drug rehabilitation or detoxification centers mean recovery houses or other similar facilities providing living arrangements for persons recovering from alcoholism or drug addiction.

~~C.~~ Rental Units for which there is a Temporary Tenancy, as defined in R.M.C § 11.100.030(e);

~~D.C.~~ Rental Units that are lawful and in full compliance with Richmond Municipal Code Chapter 15.04.610.020, as amended, (formerly known as the “Small, Second Unit Ordinance of the City” (R.M.C § 11.15.04)), if the owner is the Primary Resident of the first, larger single family home; and

~~E.D.~~ Rental Units where the Rental Unit is the Primary Residence of the property owner and the property owner shares with a Tenant(s) a bathroom or kitchen.

[Formerly Regulation 17-03; Adopted July 19, 2017; Amended December 15, 2021]

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- D. Rental Units where the Rental Unit is the Primary Residence of the property owner and the property owner shares with a Tenant(s) a bathroom or kitchen.

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