

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: May 15, 2024

Final Decision Date Deadline: May 15, 2024

STATEMENT OF THE ISSUE: Members of the community have sent letters to the Rent Board and Rent Program staff members. Staff members recommend letters that do not pertain to a specific item on the Rent Board agenda be included as consent items for consideration by the Rent Board.

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> | |

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|---|--|--|
| <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: RECEIVE letters from community members regarding the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, RMC 11.100 – Rent Program (Cynthia Shaw 620-5552).

AGENDA ITEM NO:

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Cynthia Shaw

From: Ilona Clark [REDACTED]
Sent: Saturday, April 13, 2024 7:17 PM
To: Sara Cantor; Rent Program; Cynthia Shaw; Karina Guadalupe; Paul Cohen; Elaine Dockens; Nicolas Traylor; Tomasa Espinoza; Jim Hite
Subject: Justice for Renters?

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To the Richmond Rent Board and Staff,

You have recently received a request to endorse the Justice for Renters Act, which will be on the election ballot this November. The main goal of this Act is to end vacancy decontrol in the state of California. Currently, when a unit becomes vacant, it is not "controlled". Owners reset the monthly payment, advertise and often dicker with would-be new renters to agree on a price as well as other housing features and services. If rents have gone up on vacancies in the area and the previous renter had been in the unit for a number of years, chances are the rent for the new resident will be significantly higher than what the previous renter was paying. Under vacancy control, the new rent may not be reset, it will be about the same as the previous rent. This would be the case, even if the previous rent was extremely low; even if, after so many years, the unit needs extensive renovation; even if the housing provider is in financial distress.

Dru Solari, who would have you endorse and (no doubt) vote for the Justice for Renters Act, does not mention that there is a real local example of strict rent and vacancy control in our neighboring city of Berkeley from 1980 to 1995. During this time, many small housing providers were forced out - especially those in South Berkeley where rents were lowest and the majority of owners were minorities.

Ideally, I view governmental regulations as most beneficial, when they serve as guides for expected conduct for the greater good of the greatest number. At the same time, they should prevent abuses on both "sides" of an issue or practice and offer proportional remedies. Balance is essential. regulations should not put a thumb on the scale to the detriment of one group over another or prevent people from entering into mutually agreeable contracts with each other.

Richmond already has one of the most strict rent control regulations in the State of California - the rollback at the inception of the regulation was among the longest of any to date, it is an enforcement rather than complaint-based model, we are just coming out of a pandemic with an eviction moratorium that made paying rent optional for several years, allowable rent raises are now set well *below* the rate of inflation, and evictions (always a last resort) are so difficult and so expensive that a single one could easily push an entire building into foreclosure endangering the housing of all within, if owned by a small housing provider. One might easily argue that our present regulations are already imbalanced against owners. Vacancy control would further that imbalance drastically and push many, if not most of us into financial distress. Some housing advocates have confidently stated that none of these regulations could be bad for housing because providers are guaranteed a reasonable or fair return. Unfortunately this is meaningless - there is no definition of a Fair rate of Return (I have searched high and low in literature, research and case law), so it is useless in practice and in a court of law. In other words, it does not exist and cannot be protected.

The people pushing this agenda have an ultimate goal of pushing all privately owned housing into the hands of for profit and not-for-profit entities. 80% of Richmond's rent control covered buildings are owned by small housing providers with buildings of 4 units or fewer, including me. When small timers are pushed into financial distress, we are forced to sell or foreclose our properties. When properties are sold, they are reassessed under prop 13 and the new owners must pay much higher property taxes. The only entities in a position to buy these properties are corporations who have

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economies of scale or non-profits who are exempt from property taxes. When properties are sold in a rent controlled environment, corporations have attorneys on retainer and nonprofits are largely exempt from regulations associated with rent control. Whichever type of entity takes over, professional managers are not generally responsive to renters' concerns, do not maintain buildings to a high standard, do not have a vested interest in our community and have no pride of ownership whatsoever. Renters and the biggest losers by far.

Finally, it is important to keep in mind that none of these regulations address the real cause of high rents or homelessness - a severe housing shortage in this state and in the Bay Area. Only adding new units will get us out of the hole we are in.

Even if the Act passes in November, it does not mandate that Richmond adopt vacancy control. I hope you will seriously consider the ramifications of doing so, if and when this choice is presented to you.

Thank you for your time and serious consideration.

Sincerely,

Ilona Clark, RN, MSN

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Healing is figuring out how to coexist with the pain that will always live inside of you, without pretending it isn't there or allowing it to hijack your day. It is learning to confront ghosts and carry what lingers.

- *Suleika Jaouad*

Cynthia Shaw

From: Norma F [REDACTED]
Sent: Saturday, April 13, 2024 7:53 PM
To: Ilona Clark
Cc: Sara Cantor; Rent Program; Cynthia Shaw; Karina Guadalupe; Paul Cohen; Elaine Dockens; Nicolas Traylor; Tomasa Espinoza; Jim Hite
Subject: Re: Justice for Renters?

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I support this argument against this measure.

Norma Francisco, PhD
[REDACTED]

On Sat, Apr 13, 2024, 7:17 PM Ilona Clark <[REDACTED]> wrote:

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To view this discussion on the web, visit https://groups.google.com/d/msgid/in-it-together/CAGSztMU_Qx0DmQ3m%3Dx1QeLVnBsMm9pZ%3DnLivxGUsWwkEuw4Qgw%40mail.gmail.com.

Cynthia Shaw

From: Alan Simpson [REDACTED]
Sent: Sunday, April 14, 2024 10:21 AM
To: Ilona Clark
Cc: Sara Cantor; Rent Program; Cynthia Shaw; Karina Guadalupe; Paul Cohen; Elaine Dockens; Nicolas Traylor; Tomasa Espinoza; Jim Hite
Subject: Re: Justice for Renters?

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Ilona,

Well written and thoroughly researched. I applaud your fresh approach and thoughtful handling of the subject. If I may, I'd like to add yet another dimension to the consideration of the latest and most dangerous version of the measure, that being the support coming from strange bedfellows. Both the Extreme Left and the Extreme Right are, for their own reasons, working hand in hand to push a bill fashioned to drive small housing providers into bankruptcy. It is that evil complicity that I fear will ultimately succeed in bringing down the house.

Alan

Sent from my iPhone

On Apr 13, 2024, at 7:17 PM, Ilona Clark <[REDACTED]> wrote:

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