

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: December 18, 2024

Final Decision Date Deadline: December 18, 2024

STATEMENT OF THE ISSUE: The minutes of the November 20, 2024, Regular Meeting of the Richmond Rent Board require approval.

INDICATE APPROPRIATE BODY

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

ITEM

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

RECOMMENDED ACTION: APPROVE the minutes of the November 20, 2024, Regular Meeting of the Richmond Rent Board – Rent Program (Cynthia Shaw 620-5552).

AGENDA ITEM NO:

F-1.

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RICHMOND, CALIFORNIA, November 20, 2024

The Open Session to Hear Public Comments before Closed Session was called to order at 5:19 PM.

ROLL CALL

Board Members Present: Dockens, Espinoza, Hite, and Chair Cantor.

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

Absent: None.

PUBLIC COMMENT BEFORE CLOSED SESSION

None.

ADJOURN TO CLOSED SESSION

The Open Session to Hear Public Comments Before Closed Session adjourned at 5:21 PM.

CLOSED SESSION – Shimada Room, City Council Chambers

The Regular Meeting of the Richmond Rent Board was called to order at 5:45 P.M.

PLEDGE TO THE FLAG

ROLL CALL

Board Members Present: Dockens, Espinoza, Hite, and Chair Cantor.

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

Absent: None.

STATEMENT OF CONFLICT OF INTEREST

None.

REPORT FROM LEGAL COUNSEL OF FINAL DECISIONS MADE IN CLOSED SESSION

General Counsel Charles Oshinuga reported that there were no final decisions made during closed session.

AGENDA REVIEW

Board Member Dockens, recommended to remove Item G-6 under the Consent Calendar for discussion at the next Regular Rent Board meeting in December under the Consent Calendar. Approved by Chair Cantor and no formal Board action was taken.

PUBLIC FORUM

Cordell Hindler invited the Board and staff to the Contra Costa Mayors Conference on December 5th, hosted by San Pablo, and will provide location details to Rent Board Clerk Cynthia Shaw. He expressed disappointment with the previous Rent Board Meeting, noting difficulties with the interpreter's audibility and pace, and suggested slowing down. Despite this, he appreciated the availability of the services. Lastly, he mentioned having one topic to discuss but had to leave for another meeting.

Elsa Stevens expressed her gratitude for support and advocacy, acknowledging the increased challenges renters face in Richmond. She highlighted a troubling trend of shady practices by corporate landlords, including unjustified rent overcharges and targeting vulnerable populations, such as seniors in large complexes. She emphasized the importance of organizations like ACCE with educating, organizing, and empowering residents to resist exploitation. Despite the challenges ahead, she expressed appreciation for the ongoing efforts to protect renters.

RENT BOARD CONSENT CALENDAR

On motion from Board Member Hite, seconded by Board Member Espinoza, the Item(s) marked with an (*) were approved unanimously.

***G-1.** Approve the minutes of the August 21, 2024, Regular Meeting of the Richmond Rent Board. *This item was continued from the October 15, 2024, Regular Rent Board Meeting.*

***G-2.** Receive the Fiscal Year 2024-25 Monthly Activity Report through October 2024.

***G-3.** Receive the Rent Program FY 2024-25 Monthly Revenue and Expenditure Report through October 2024.

***G-4.** Receive the Budgeted versus Actual Revenue and Expenditures Report for the first quarter ending September 30, 2024.

***G-5.** Approve amended Regulation 322 to include language that clarifies that Rent Board members, or the Rent Board, may submit agenda item and agenda reports. *This item was continued from the October 15, 2024, Regular Rent Board Meeting.*

CONSIDERATION OF APPEALS

H-1. General Counsel Oshinuga presented on the matter of an Appeal regarding Petition number RC23-T176. The Respondents/Tenants filed a petition based on excess rent charges and decrease of services due to various habitability issues. After holding a hearing, the Hearing Examiner awarded Respondents \$37,369.43. Appellants/Landlords timely filed an appeal, only challenging those portions of the Hearing Examiner’s Decision that awarded Respondents \$24,574.05, due to excess rent charges. Specifically, the Hearing Examiner found that Respondents met their burden in demonstrating the proper amount of their Base Rent, and the amount of overage payments they made to Appellant. On appeal, Appellant contended the following: 1). Tenant’s proof that rent was paid during COVID is not sufficient, Landlord indeed refute[d] [sic] the testimony provided by the tenants that the unpaid rent was paid in cash. 2). Landlord provided documentation of the amount that rent was paid during COVID which was not accounted for by the hearing examiner. 3). Rent was not increased every year as tenants swore under oath it was. (Attachment A). There were no public comments on this item. All parties to the case were present. The Respondent requested interpretation and all parties’ times were double to present their case. The Counsel for the Appellant was given 10 minutes to present and presented for 7 minutes. Then the Respondent was given 14 minutes to present and presented for 6:57 minutes. Finally, the Appellant was given 4 minutes to close presentation and presented for 2:56 minutes. After hearing the issues brought on appeal and considering the arguments of all parties on appeal, Chair Cantor moved to approve the General Counsel’s recommendation to affirm the finding that Appellants’ challenged rent increases were invalid and void, as the rent increases were not properly noticed and/or not filed

with the Rent Program, in a manner consistent with the Rent Board Regulation 601 and Rent Board Regulation 603. As it relates to the findings of the Base Rent amount and subsequent award, Chair Cantor moved o remand back to the Hearing Examiner to take into account all legal issues raised in General Counsel’s legal recommendation, to allow the record to remain open for 30 calendar days for documentary evidence in regards to the base rent, with the goal of finding the earliest rent after the ordinance went into effect, that theirs is documentary evidence to support to use that as the base rent, and to allow the record to also remain open for 30 calendar days to allow documentary evidence regarding the amount paid by the tenants and a new finding of excess rent restitution, if any. Chair Cantor amended her motion, seconded by Board Member Hite, that regarding the subsequent petition filed by the respondents, this issue that is remanded back to the Hearing Examiner should be decided prior to any hearing conducted for the subsequent petition and the matter should not be consolidated. Board Member Hite seconded the motion. The motion passed by the following vote: **Ayes:** Board Members Dockens, Espinoza, Hite, and Chair Cantor. **Noes:** None. **Abstentions:** None. **Absent:** None.

General Counsel Charles Oshinuga gave a brief overview of the board's decisions. He informed the parties that they should receive a decision within the next two weeks. He added that the decision would explain the motion, the parties' obligations, and the limited opportunity to enter new documents into the record to prove excess rent to this case. He mentioned that the latest petition regarding the utilities or issues will not be heard until this matter is finished. He added that the \$12,795.38 amount that wasn't appealed will also be mentioned in the order so that the Appellant will know their obligations. Rent Board Clerk Cynthia Shaw concluded the hearing for Appeal RC23-T176. Parties were dismissed. A motion was made by Chair Cantor to recess for 10 minutes before continuing Item H-2, seconded by Board Member Espinoza. The motion to recess for 10 minutes passed unanimously. The meeting was adjourned for recess at 7:10 PM. The meeting was called back to order at 7:21 PM.

H-2. General Counsel Oshinuga presented on the matter of an Appeal regarding Petition number RC23-T184. Respondents/Tenants filed a petition based on excess rent charges due to unlawful rent increases and utility charges. After holding a hearing, the Hearing Examiner awarded Respondents \$14,727.58. Appellant/Landlord timely filed an appeal. The summation of Appellant’s appeal challenged whether the Record contained substantial evidence to warrant the Hearing Examiner’s finding that Respondents met their burden in proving that Appellant

collected rents in excess of the Maximum Allowable Rent (hereinafter, "MAR"). All parties to the case were present. The Appellant presented for 5 minutes, then the Respondent was given 7 minutes to present and presented for 5:12 minutes. Finally, the Appellant was given 2 minutes to close and presented for 1:89 minutes. The Appeal hearing began, and the following individuals presented their case: Avan Gangapuram and Bruce Frazer. After hearing the issues brought on appeal and discussing the matter amongst themselves, Chair Cantor moved to do the following: 1) affirm the findings that Appellant's rent amount of \$3500, set in the lease, and subsequent increases were invalid and void under the Rent Ordinance, Rent Board Regulation 601 and Rent Board Regulation 603; 2) affirm the finding that Appellant's utility charges were improper and violated the Rent Ordinance as the utilities were not separately metered, nor did the charges comply with PUC; 3) reverse the Hearing Examiner's finding of the Base Rent amount and subsequent award of \$7,431.52 as the record does not contain substantial evidence to support such a finding and subsequent award. However, the amount of the utilities to be reimbursed to the tenants by the landlord of \$7,296.06 is not reversed; and 4) Remand the matter back to the Hearing Examiner to determine Base Rent based on the Record and subsequent award, if applicable. The Hearing Examiner shall identify the specific evidence (testimony or otherwise) they are relying on when determining the Base Rent. The Hearing Examiner shall conclusively determine the owner of the property for the purposes determining liability and to make sure that the actual landlord is being represented at the hearing. Ch General Counsel Oshinuga presented on the matter of an Appeal regarding Petition number RC23-T184. Respondents/Tenants filed a petition based on excess rent charges due to unlawful rent increases and utility charges. After holding a hearing, the Hearing Examiner awarded Respondents \$14,727.58. Appellant/Landlord timely filed an appeal. The summation of Appellant's appeal challenged whether the Record contained substantial evidence to warrant the Hearing Examiner's finding that Respondents met their burden in proving that Appellant collected rents in excess of the Maximum Allowable Rent (hereinafter, "MAR"). All parties to the case were present. The Appellant presented for 5 minutes, then the Respondent was given 7 minutes to present and presented for 5:12 minutes. Finally, the Appellant was given 2 minutes to close and presented for 1:89 minutes. The Appeal hearing began, and the following individuals presented their case: Avan Gangapuram and Bruce Frazer. After hearing the issues brought on appeal and discussing the matter amongst themselves, Chair Cantor moved to do the following: 1) affirm the findings that Appellant's rent amount of \$3500,

set in the lease, and subsequent increases were invalid and void under the Rent Ordinance, Rent Board Regulation 601 and Rent Board Regulation 603; 2) affirm the finding that Appellant's utility charges were improper and violated the Rent Ordinance as the utilities were not separately metered, nor did the charges comply with PUC; 3) reverse the Hearing Examiner's finding of the Base Rent amount and subsequent award of \$7,431.52 as the record does not contain substantial evidence to support such a finding and subsequent award. However, the amount of the utilities to be reimbursed to the tenants by the landlord of \$7,296.06 is not reversed; and 4) Remand the matter back to the Hearing Examiner to determine Base Rent based on the Record and subsequent award, if applicable. The Hearing Examiner shall identify the specific evidence (testimony or otherwise) they are relying on when determining the Base Rent. The Hearing Examiner shall conclusively determine the owner of the property for the purposes determining liability and to make sure that the actual landlord is being represented at the hearing. Chair Cantor also added that any subsequent petitions should not be consolidated with the remand hearing and that this matter be finalized before hearing any subsequent petitions. Board Member Espinoza seconded the motion. The motion passed by the following air Cantor also added that any subsequent petitions should not be consolidated with the remand hearing and that this matter be finalized before hearing any subsequent petitions. Board Member Espinoza seconded the motion. The motion passed by the following vote: **Ayes:** Board Members Dockens, Espinoza, Hite, and Chair Cantor. **Noes:** None. **Abstentions:** None. **Absent:** None.

Chair Cantor gave a brief overview of the board's decisions. She informed the parties that they should receive a decision within 30 days explaining everything and that the matter would be sent back to the hearing examiner. She added that no new evidence will be accepted, and the record will not be opened. She said that the Hearing Examiner would figure out who the property owner is according to the government to ensure that Mr. Gangapuram is authorized to represent the owner and find the correct people liable. Rent Board Clerk Cynthia Shaw concluded the hearing for Appeal RC23-T184. Parties were dismissed.

A motion by Chair Cantor, seconded by Board Member Hite, was to approve extending the meeting past the 3-hour time limit to adjourn by 9:00 PM to hear Item I-1 and I-2 under Contracts and to continue Item J-1 to the December meeting. Chair Cantor also

requested that staff be concise with the presentation and only address bullet points to finish the meeting by 9:00 PM, passed by the following vote: **Ayes:** Board Members Dockens, Espinoza, Hite, and Chair Cantor. **Noes:** None. **Abstentions:** None. **Absent:** None.

CONTRACTS

I-1. The matter to approve a contract, not to exceed \$75,000 with Project Sentinel to provide legal services to Richmond Landlords and Tenants was presented by Executive Director Nicolas Traylor. The presentation included the statement of the issue, the fiscal impact, the background, information about the proposed Landlord/Tenant legal services program aligns with the Richmond Rent Ordinance, the background on Project Sentinel, the scope of services which includes the following activities: Legal Advice and Consultation, written legal services, negotiation and settlement, and other resources, information about dedicated legal capacity, training and approval (of a contracted Attorney), limitation and parameters for legal services, measurement (of program success), reporting requirements, proposed program development timeline, and the recommended action. Discussion ensued. There were no public comments on this item. A motion made by Board Member Hite, seconded by Board Member Dockens, to approve a contract, not to exceed \$75,000 with Project Sentinel to provide legal services to Richmond Landlords and Tenants passed by the following vote: **Ayes:** Board Members Dockens, Espinoza, Hite, and Chair Cantor. **Noes:** None. **Abstentions:** None. **Absent:** None.

I-2. The matter to approve the contract for interpretation services with Accent on Languages not to exceed \$26,200 for Fiscal Year 2024-25, prorated from the date the contract is executed, was presented by Executive Director Nicolas Traylor. The presentation included the statement of the issue, the fiscal impact, the background, the Accent on Languages background, and the scope of services that included the following activities: maintenance and evaluation of interpreters, scheduling of interpretation, interpretation for petition hearings, interpretation for Rent Board meetings and Board Appeal Hearings, interpretation for counseling sessions, and interpretations for community workshops, and the recommended action. Discussion ensued. There were no public comments on this item. A motion made by Board Member Hite, seconded by Board Member Espinoza, to approve the contract for interpretation services with Accent on

Languages not to exceed \$26,200 for Fiscal Year 2024-25 prorated from the date the contract is executed, passed by the following vote:
Ayes: Board Members, Espinoza, Hite, and Chair Cantor. **Noes:** Board Member Dockens. **Abstentions:** None. **Absent:** None.

REPORTS OF OFFICERS

None.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:57 P.M.

Cynthia Shaw
Staff Clerk

(SEAL)

Approved:

Rent Board Chair