



MEMORANDUM

CSFRA, Community Development Department

DATE: December 14, 2020

TO: Rental Housing Committee

FROM: Anky van Deursen, CSFRA Program Manager
Karen Tiedemann, Special Counsel to the RHC

SUBJECT: Draft Regulations Amending Chapter 3, Rules of Conduct, to Add Subsection D Addressing States of Emergency

RECOMMENDATION

Review the draft regulations regarding Rental Housing Committee actions during a state of emergency or a local emergency and either provide further direction to staff or adopt a resolution approving the regulation (Attachment 1 to the memorandum).

BACKGROUND

The Community Stabilization and Fair Rent Act (CSFRA) authorizes the Rental Housing Committee (RHC) to establish rules and regulations (Regulations) for the administration and enforcement of the CSFRA (Section 1709(d)(2)) and any other duties necessary to administer and enforce the CSFRA (Section 1709(d)(16)). Section 1709(e) authorizes the RHC to issue and follow such rules and regulations as well as further the purposes of the CSFRA.

ANALYSIS

The CSFRA was approved by the voters of the Mountain View in order to address a variety of issues that were resulting in tenants facing displacement and its attendant impacts as a result of rapidly increasing rents and no-fault evictions. The CSFRA is intended to protect against the negative effects of such displacement, including the increased financial costs to tenants of having to move as a result of increasing rents, including the hardships on senior citizens, persons on fixed incomes, families with children, and other vulnerable tenants (Section 1701(p)).

In order to ensure that the protections that were the impetus for the approval of the CSFRA by the voters remain in place, Subsection D of Chapter 3 of the Regulations would

prohibit the RHC from adopting any regulations or taking any action that would limit or suspend the protections of the CSFRA during a state of emergency or a local emergency.

The Governor of California, Gavin Newsom, declared a state of emergency as of March 4, 2020 in response to the COVID-19 pandemic. The City of Mountain View also declared a local emergency on March 12, 2020 in response to the COVID-19 pandemic. As a result of the pandemic, various public health orders have been issued that have impacted the income of many residents in the State as a result of business closures and loss of jobs. In response to the public health orders, governments at all levels have enacted laws and issued orders to protect tenants who may be suffering from the financial impacts of the pandemic. These laws and orders have recognized that, during a pandemic, it is crucial to prevent displacement since increasing homelessness and requiring tenants to move can impact the spread of the disease.

The current state of emergency has illustrated the significant impacts that various emergencies can have on vulnerable tenants, but the current pandemic is not the only situation where tenants may face hardship as a result of the impact of emergency. For example, wildfires in California over the past several years have resulted in displacement of thousands of households and increased pressure on an already strained housing supply, resulting in some tenants facing excessive rent increases and potential displacements. Other natural or man-made disasters would have similar impacts, placing additional pressures on the tenant population.

The impact of states of emergency on tenants is recognized in the State's antiprice-gouging law (Penal Code Section 396) that prohibits landlords from raising rents above a certain threshold during a state of emergency and also prohibits landlords from evicting tenants for the purpose of rerenting the dwelling at a higher rent.

The proposed regulation would formally recognize that during a state of emergency or a local emergency, the CSFRA's purpose of protecting tenants from displacement that may result from no-fault evictions or excessive rent increases is of great importance and, thus, the RHC needs to ensure that the protections of the CSFRA remain in place. The proposed regulations will provide certainty to tenants during uncertain and unprecedented times.

FISCAL IMPACT

The regulation does not have a fiscal impact on the RHC.

PUBLIC NOTICING – Agenda posting.

AvD-KT/TG/6/CDD/RHC
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- Attachment: 1. Resolution Adopting Amendment to Chapter 3, Rules of Conduct, to Add Subsection D
Exhibit A: Amendment to Chapter 3, Rules of Conduct, to Add Subsection D