



City of Mountain View

Minutes

Rental Housing Committee

Chair Matthew Grunewald, Vice Chair Emily Ramos, Committee Members Susyn Almond, Vanessa Honey, Julian Pardo de Zela and Nicole Haines-Livesay (Alternate)

Monday, February 11, 2019

7:00 PM

Council Chambers 500 Castro St

1. CALL TO ORDER

The meeting was called to order at 7:00 p.m.

2. ROLL CALL

Present 5 - Committee Member Susyn Almond, Committee Member Vanessa Honey, Committee Member Julian Pardo de Zela, Vice Chair Emily Ramos, and Alternate Nicole Haines-Livesay

Absent 1 - Chair Matthew Grunewald

3. MINUTES APPROVAL

3.1 Approve the minutes for January 28, 2019 RHC Meeting

SPEAKING FROM THE FLOOR WITH COMMENTS:

Curtis Conroy

MOTION: M/S - Almond/ Haines-Livesay - To approve the minutes for January 28, 2019 RHC meeting.

Yes: 4 - Committee Member Almond, Committee Member Pardo de Zela, Vice Chair Ramos, and Alternate Haines

No: 1 - Committee Member Honey

Absent: 1 - Chair Grunewald

4. CONSENT CALENDAR - None

5. ORAL COMMUNICATIONS FROM THE PUBLIC

No public comments were received

6. APPEAL HEARINGS

6.1 CSFRA Case 17180002, 141 Del Medio Ave., Mountain View, CA

Karen Tiedemann, Special Counsel, Goldfarb and Lipman, presented an oral report and responded to questions.

SPEAKING FROM THE FLOOR WITH COMMENTS:

Curtis Conroy

Edie Keating

PRESENTATION AND ARGUMENTS BY PETITIONER-APPELLANT-LANDLORD - Cynthia Lindsay Chirstensen

PRESENTATION AND ARGUMENTS BY RESPONDENT-TENANTS - Margaret McBride, CLESPA representative of Del Medio Manor Tenants Association

PRESENTATION AND ARGUMENTS BY PETITIONER-APPELLANT-LANDLORD - Cynthia Lindsay Chirstensen

PRESENTATION AND ARGUMENTS BY RESPONDENT-TENANTS - Margaret McBride, CLESPA representative of Del Medio Manor Tenants Association

MOTION 1: M/S: Almond/ None - To adopt the tentative appeal decision to affirm the Hearing Officers decision on appeal elements A.5 and A.6 as described below:

A.5 - Denying request for categorization of salary expenses and affirming decision calculating management expenses and ordinary repair, replacement and maintenance costs, except to the extent modified pursuant to appeal element B.3

A.6 - Denying request for recalculation of base and petition year and affirming decision methodology for calculation of operating expenses

Motion Failed for lack of second

MOTION 2: M/S - Honey/ Pardo de Zela - To adopt the tentative appeal decision to affirm the Hearing Officers decision on appeal elements A.4, with modification to appeal elements A. 5 and A.6 as described below:

A.4 - Denying request to calculate management expenses above six percent and affirming decision calculating base year and petition year management expenses

A.5 - Grant request for calculation of salary expenses to include cost categorized under both management expenses and ordinary repair, replacement and maintenance costs

A.6 - Grant request for calculation of salary expenses as Ordinary Repair, Replacement and Maintenance Expenses versus Management Expenses

Yes: 2 - Committee Member Honey, and Committee Member Pardo de Zela

No: 3 - Committee Member Almond, Vice Chair Ramos, and Alternate Haines

Absent: 1 - Chair Grunewald

MOTION 3: M/S - Haines-Livesay/ Almond - To adopt the tentative appeal decision to affirm the Hearing Officers decision on appeal elements A.4 - A.6 as described below:

A.4 Denying request to calculate management expenses above six percent and affirming decision calculating base year and petition year management expenses

A.5 Denying request for categorization of salary expenses and affirming decision calculating management expenses and ordinary repair, replacement and maintenance costs, except to the extent modified pursuant to appeal element B.3

A.6 Denying request for recalculation of base and petition year operating expenses and affirming decision methodology for calculation of operating expenses

Yes: 3 - Committee Member Almond, Vice Chair Ramos, and Alternate Haines

No: 2 - Committee Member Honey, and Committee Member Pardo de Zela

Absent: 1 - Chair Grunewald

MOTION 4: M/S - Honey/ Pardo de Zela - To deny the tentative appeal decision and to modify the Hearing Officers decision on appeal element A.7 as described below:

A.7 – Grant the request to include pavers near the pool deck as amortized capital expenses

Yes: 3 - Committee Member Honey, Committee Member Pardo de Zela, and Alternate Haines

No: 2 - Committee Member Almond, and Vice Chair Ramos

Absent: 1 - Chair Grunewald

MOTION 5 - M/S - Honey/ Pardo de Zela - To deny the tentative appeal decision and to modify the Hearing Officers decision on appeal element A.10 described below:

A.10 - Grant request to allocate the rent increase among effected 56 petitioned units in Property and denying the decision to allocate rent among all 104 units in Property

Yes: 2 - Committee Member Honey, and Committee Member Pardo de Zela

No: 3 - Committee Member Almond, Vice Chair Ramos, and Alternate Haines

Absent: 1 - Chair Grunewald

MOTION 6 - M/S - Haines-Livesay/Almond - To adopt the tentative appeal decision to

affirm the Hearing Officers decision on appeal element A.10 described below:

A.10 - Deny request to allocate the rent increase among effected 56 petitioned units in Property and affirm the decision to allocate rents among all 104 units in Property

Yes: 3 - Committee Member Almond, Vice Chair Ramos, and Alternate Haines

No: 2 - Committee Member Honey, and Committee Member Pardo de Zela

Absent: 1 - Chair Grunewald

MOTION 7: M/ S - Honey/ Almond - To adopt the tentative appeal decision to affirm the Hearing Officers decision on appeal elements A.1, A.2, A.3, A.8 and A.9 described below:

A.1 - Granting in part the request to (a) apply the Vega Adjustment and (b) reconsider the classification of junior one-bedrooms as efficiencies for the purpose of the Vega Adjustment by modifying the decision to grant a Vega adjustment for 22 subject Units.

A.2 - Denying request and affirming the calculation of Adjusted Gross Income except to the extent modified pursuant to appeal element A.1

A.3 - Denying request to the include of California Association Fees in the petition year and affirming the calculation of business license fee, except to the extent modified pursuant to appeal element B.2

A.8 - Denying request to include parking lot resurfacing and affirming decision on exclusion of parking lot resurfacing; granting request and modifying decision to include elevator expenses as amortized capital improvements

A.9 - Granting request to include payment to P.W. Stephens and affirming decision accounting for this expense

Yes: 5 - Committee Member Almond, Committee Member Honey, Committee Member Pardo de Zela, Vice Chair Ramos, and Alternate Haines

Absent: 1 - Chair Grunewald

MOTION 8: M/S - Ramos/ Haines-Livesay - To adopt the tentative appeal decision to affirm the Hearing Officers decision on appeal element B.1, and modifying B.2 and B.3 as described below:

B.1 - Denying request to exclude undated employee compensation from the salaries line item of ordinary repair, replacement, and maintenance costs in the petition year and affirming the decision calculating ordinary repair, replacement and maintenance costs, except to the extent modified pursuant to appeal element B.3

B.2 - Grant request and modifying the calculation of business licenses fees to exclude the of \$239.80

B.3 - Grant in part and deny in part Respondent-Tenant's request and modifying decision

to exclude cleaning costs and tenant screening fees that are reimbursable

Yes: 3 - Committee Member Almond, Vice Chair Ramos, and Alternate Haines

No: 2 - Committee Member Honey, and Committee Member Pardo de Zela

Absent: 1 - Chair Grunewald

7. PUBLIC HEARINGS - None

8. UNFINISHED BUSINESS

8.1 Draft Regulations Regarding Tenant Buyout Agreements

Justin Bigelow, Special Counsel, Goldfarb and Lipman, presented an oral report and responded to questions.

SPEAKING FROM THE FLOOR WITH COMMENTS:

Curtis Conroy
Edie Keating
Unidentified person

MOTION: M/S - Haines-Livesay/ Honey - To adopt the Chapter 8 regulations of Tenant Buyout Agreements as drafted with modification to Section D.2 as described below:

Modifying draft Chapter 8, Section D.2 Confidential Information, to state that all information received pursuant to Chapter 8 shall not be subject to public disclosure, to the extent allowed under the California Public Records Act.

Yes: 3 - Committee Member Honey, Vice Chair Ramos, and Alternate Haines

No: 2 - Committee Member Almond, and Committee Member Pardo de Zela

Absent: 1 - Chair Grunewald

9. NEW BUSINESS

9.1 Quarterly Financial Expenditures FY 2018-19

Project Manager van Deursen presented an oral report and responded to questions.

SPEAKING FROM THE FLOOR WITH COMMENTS:

Curtis Conroy

The RHC received a presentation on the CSFRA Quarterly Financial Expenditures for FY 2018-19 through December 31, 2018.

10. COMMITTEE/STAFF ANNOUNCEMENTS, UPDATES, REQUESTS, AND COMMITTEE

Administrative Analyst Black presented an oral report and responded to questions.

SPEAKING FROM THE FLOOR WITH COMMENTS:

No public comment was received

The RHC heard a presentation regarding the CSFRA monthly status report for January 2019 and the CSFRA Newsletter.

11. CLOSED SESSION REPORTS

12. ADJOURNMENT - At 9:49 p.m., Vice-Chair Ramos adjourned the meeting to the next RHC meeting to be held on Monday, March 4, 2019 at 7:00 p.m. in the Council Chambers, 500 Castro Street.