



#### **MEMORANDUM**

Rent Stabilization Program, Community Development Department

**DATE:** June 14, 2021

**TO:** Rental Housing Committee

**FROM:** Karen M. Tiedemann, Special Counsel

Patricia Black, Analyst II

Anky van Deursen, Rent Stabilization Program Manager

SUBJECT: Draft Regulations Amending Chapter 5: Hearing Procedures

### RECOMMENDATION

Amend CSFRA Regulations Chapter 5: Hearing Procedures to address an error in the Timeline to Process Individual Rent Adjustment Petitions Chart on Page 17.

# **RHC Authority**

In November 2016, the voters approved the Community Stabilization and Fair Rent Act ("CSFRA"), which amended the City Charter. The CSFRA regulates the rents of rental properties, with certain exemptions such as single-family homes and duplexes. The CSFRA is a tenant protection law that has three primary goals:

- Stabilize rents.
- Provide eviction protections.
- Ensure a fair and reasonable rate of return on investment.

Sections 1708, 1710, and 1711 of the CSFRA charge the Rental Housing Committee (RHC) with promulgating regulations to implement the petition process. Section 1708 of the CSFRA empowers the RHC to set rents at fair and equitable levels to achieve the purposes of the CSFRA and establish rules and regulations for the administration and enforcement of the CSFRA.

### **ANALYSIS**

Chapter 5: Hearing Procedures, Section C, Notice and Prehearing Procedures (Page 4), states the following timeline for setting hearing dates for both landlord and tenant petitions:

## C. Notice and Prehearing Procedures

2. <u>Timing of Hearing</u>. The Hearing shall be scheduled for a date no more than:
(a) forty-five (45) calendar days after the acceptance of a Petition by the Rental Housing Committee; or (b) thirty (30) calendar days after the completion of a prehearing settlement conference, whichever is later.

Upon review, the chart set forth in Chapter 5: Hearing Procedures, Section I—Summary of Petition and Hearing Process does not align with Section C(2). The chart currently states that tenant petitions have 45 days for a hearing to be set without regard to prehearing settlement conferences as shown below in Chart 1:

**Chart 1: Current Timeline to Process Individual Rent Adjustment Petitions** 

	Rent Decrease Petitions	Rent Increase Petitions
	Calendar Days (from date of Petition acceptance by RHC unless noted)	
Notice of Acceptance or Non-Acceptance of Submission by RHC	30 days of submission to RHC	
Date Set for Prehearing Settlement Conference ( <i>if applicable</i> ) after Petition Deemed Complete	30	45
Prehearing Settlement Conference Completed	45	60
Telephone Conference held by Hearing Officer	45	60
Hearing Date	45	45 days from acceptance if Prehearing Settlement Conference not requested 30 days from Prehearing Settlement Conference
Decision Delivered	30 days from closing of Hearing record	
Appeal Deadline	10 days from delivery of Decision	
Decision post-Remand Delivered	45 days from RHC order remanding Decision	

This error should be amended to be in line with the regulations in Section C(2) as shown below in Chart 2:

Chart 2: Proposed Timeline to Process Individual Rent Adjustment Petitions

	Rent Decrease Petitions	Rent Increase Petitions
	Calendar Days (from date of Petition acceptance by RHC unless noted)	
Notice of Acceptance or Nonacceptance of Submission by RHC	30 days of submission to RHC	
Date Set for Prehearing Settlement Conference ( <i>if applicable</i> ) after Petition Deemed Complete	30	45
Prehearing Settlement Conference Completed	45	60
Telephone Conference held by Hearing Officer	45	60
Hearing Date	45 days from acceptance if Prehearing Settlement Conference not requested 30 days from Prehearing Settlement Conference	
Decision Delivered	30 days from closing of Hearing record	
Appeal Deadline	10 days from delivery of Decision	
Decision post-Remand Delivered	45 days from RHC order remanding Decision	

**FISCAL IMPACT** – There is no fiscal impact associated with this amendment.

**PUBLIC NOTICING** – Agenda posting.

KMT-PB-AvD/JS/8/CDD/RHC 895-06-14-21M-2

Attachments:

- 1. Draft Amended Regulations Chapter 5: Hearing Procedures
- 2. Draft Resolution Adopting Amendment to Regulations Chapter 5 Exhibit A—Amendment to Regulations Chapter 5: Hearing Procedures