



COMMUNITY STABILIZATION AND FAIR RENT ACT (CSFRA)

500 Castro Street • Post Office Box 7540 • Mountain View, California 94039-7540 • Tel.: 650-903-6125

Date: September 16, 2019

Re: RHC input for potential amendments to the CSFRA

Dear Mayor Lisa Matichak and Members of the City Council:

On September 4, 2019 the CSFRA Subcommittee requested Rental Housing Committee's input on proposed amendments to the CSFRA. In its meeting on September 16, 2019 the Rental Housing Committee (RHC) *unanimously* formulated recommendations to be considered in City Council meeting on September 17, 2019.

In general, the RHC would like to impress on the City Council that any amendment to the CSFRA should be clear and specific to maximize chances of voter adoption. The RHC unanimously agreed on each of the following recommendations, with a goal of addressing the most acute pain points of administering the CSFRA and maximizing likelihood of success of a potential ballot measure:

1. The RHC believes that the CSFRA is clear regarding the relative independence of the RHC and is not in support of amending the CSFRA in order to fundamentally change the relationship between the RHC and City Council. The RHC always keeps the "intent of the voters" in mind as well as the "text of the CSFRA". If the City Council desires to be more involved in administration of the CSFRA, the RHC would welcome a more collaborative process in the form of consultations or guidance. Also, the RHC already voluntarily adopted Code of Conduct Regulations similarly to those in place for advisory committees in accordance with City standard.
2. The RHC is not in support of amending the CSFRA in order to provide City Council with the right to oversee any suspension of the CSFRA. The RHC feels that it was clearly the intent of the voter that the RHC maintain this authority independent of the City Council.
3. The RHC does not support oversight by City Council of its funds and/or budget. The RHC takes its budgeting task very seriously and in the two years of CSFRA's existence built up a reserve of 20% of its budget in accordance with City standards, totaling \$382,000 to cover unexpected expenses such as litigation costs.

4. The RHC is not in support of amending the CSFRA to mandate registration for landlords. The RHC has the authority now to require mandatory registration and can provide incentives through adoption of Regulations.
5. The RHC would support a change in the CSFRA to provide flexibility for the RHC to deal with unclear or unintentional consequences of current language in the CSFRA regarding exemptions in the CSFRA. The RHC would support amendments to the CSFRA to achieve consistency with regard to exempt units (for example, exempting all single family homes even with an ADU on the property as well as single duplexes), but would like any rental property with 3 or more units be covered under the CSFRA. Any amendment to cover units previously exempt needs to set the appropriate base year for those units or grant the RHC authority to set the appropriate base year.
6. The RHC supports an amendment to create a separate petition process applicable only to seismic retrofit costs, as well as an amendment that gives the RHC the authority to determine further categories of capital improvements that could be subject to this petition process. The parameters and process for such petitions should be at the discretion of the RHC.
7. The RHC is not in support of amending the CSFRA to change the AGA from its current level of 100% of CPI. The text of the original CSFRA ballot measure was clear on this subject, and the RHC feels that any attempted modification to the AGA would threaten the viability of the amendment.
8. The RHC supports the notion that Mobile Homes deserve rent stabilization protections and encourages the City Council to draft an ordinance as soon as possible to address this unique situation. The RHC respectfully requests City Council to include and utilize the RHC's guidance in drafting such ordinance if the City Council considers tasking the RHC with implementation and administration. This would ensure proper implementation considerations including how budgetary consequences can be successfully borne by the CSFRA program.

Matt Grunewald

Chair of the Rental Housing Committee
City of Mountain View