

**Public Comments: Spanish Community Tenants Meeting
Rental Housing Dispute Resolution Ordinance**

DATE/TIME: February 3, 2016, 6:30 p.m. to 8:30 p.m.

STAFF IN ATTENDANCE: Jannie Quinn, City Attorney
Linda Lauzze, Neighborhood Services Manager
Vera Gil, Project Manager–Affordable Housing
Anky van Deursen, Associate Planner–Affordable Housing
Nancy Ducos, Community Outreach Coordinator

The following public comments are organized by topic and not chronologically.

RENT INCREASES

- Several residents noted recent high rent increases. One resident who has lived in Mountain View for 28 years said her rent had just been increased from \$1,530 to \$1,930 per month, a 26 percent increase, plus she had to pay a new \$2,000 security deposit.
- Another resident said his rent had been raised twice in seven months.
- A resident asked whether the draft ordinance addresses these high rent increases as being unreasonable and what kind of definition will be set for reasonable rents.
- Two residents asked that the threshold for rent increases be set well under 5 percent since their annual increase in salary or earning potential is not rising close to 5 percent per year. A senior on a fixed income noted that his income does not increase at all.
- Several residents were concerned how the City would prevent large rent increases before the effective date of the ordinance. They asked whether the ordinance could be retroactive. Some tenants just received huge rent increases in January and were concerned that landlords will increase their rents again before the ordinance goes into effect.
- Will the once-per-year rent increase and the reasonable allowable rent increase percent work for both fixed-term leases and month-to-month?
- One resident questioned what allowable pass-throughs would be allowed by the ordinance as justification for a landlord raising rents. They felt it would not be fair for landlords to raise rents for routine maintenance and repairs, since landlords should have planned for this and these costs would already be included in the rents.

EVICTIONS

- Residents were concerned that the ordinance will encourage landlords to terminate tenants for no cause, so they can charge higher rent to new tenants. They wanted to know if there is anything in the ordinance to prevent this.
- Several residents encourage the City to reconsider a just-cause eviction provision as part of the Rent Dispute Resolution ordinance. They felt that without this just-cause provision, the ordinance could make things worse by encouraging eviction.

RENT DISPUTE RESOLUTION PROCESS

- Several residents asked about the process and who would administer the program. They hoped that the agency administering the program would have an office in Mountain View.
- A resident asked whether the ordinance will cover harassment or other harmful behavior by a landlord.
- There were questions about the 60 days notice and whether the landlord has the right to issue a 60-day termination notice and whether this could be arbitrated.

ENFORCEMENT OF ORDINANCE

- Several residents asked who would enforce the ordinance and whether there would be an appointed agency to help tenants if they had to go to court because the landlord did not comply with the ordinance.

OTHER COMMENTS

- A resident asked whether Project Sentinel could open an office in Mountain View and have more staff.
- One resident said their landlord is asking for copies of tenant's social security cards and they believe it is a means to evict people.
- A resident has lived in Mountain View for 40 years and said she has strong roots here and the City is not protecting and taking care of long-time residents like her.
- A resident said they know a landlord who is making leases more expensive than month-to-month tenancies.

**Public Comments: Tenant Advocates Meeting
Rental Housing Dispute Resolution Ordinance**

DATE/TIME: February 9, 2016, 11:00 a.m. to 12:30 p.m.

STAFF IN ATTENDANCE: Jannie Quinn, City Attorney
Linda Lauzze, Neighborhood Services Manager
Anky van Deursen, Associate Planner-Affordable Housing

NUMBER OF PERSONS ATTENDING: 6

The following public comments are organized by topic and not chronologically.

RENT INCREASES

- The group supports including provisions in the ordinance that would protect tenants by prohibiting landlords from raising rents when they evict tenants. Otherwise, participants were concerned that landlords will be motivated to evict tenants so they can substantially increase rents. It was suggested that landlords should only be able to raise the rent if it is a voluntary vacancy.
- It was suggested that new debt services costs that are not related to improvements of the units not be allowed to be passed through to tenants.
- Some ordinances allow landlords that have not raised rents in several years to use the “banked” rent increases in a single, large rent increase. There was concern that these large rent increases would be difficult for some tenants to manage.

RENT DISPUTE RESOLUTION PROCESS

- The group strongly supported binding arbitration as part of the dispute resolution process because the ordinance will be more effective in addressing rent increases. With arbitration, landlords will be motivated to resolve rent disputes in the conciliation and mediation stages.
- Participants thought the December 1, 2016 Council report had mischaracterized the success of the Los Gatos rental arbitration program. The one-year snapshot in one of the tables did not capture many cases that were in process. If the pending cases were included, the total resolved rent increase cases that reached an agreement were 19 out of 23 cases, or 83 percent of the cases, rather than the 22 percent shown in the table.

- Participants noted that all rental units, even those built after 1995, should be covered by mandatory mediation.
- Some participants questioned whether a program with just mandatory mediation would be effective and thought there would be nothing preventing a landlord from evicting a tenant.
- It was suggested that any kind of landlord registration program also include a database system that would allow the City to track rent increases, new tenants, and compliance with the ordinance. One suggestion was to have landlords post on the City's website the range of rents in their apartments when they register, so new tenants can check the rents online.

NOTICING AND OUTREACH

- Notices about the City's Rental Housing Dispute Resolution ordinance should be given in the language of the tenant and should also be given to tenants with a 30 or 60 days notice to vacate.
- The City should undertake a major outreach and education effort to let tenants and landlords know about the new program.

**Public Comments: Landlord Advocates Meeting
Rental Housing Dispute Resolution Ordinance**

DATE/TIME: February 10, 2016, 1:30 p.m. to 3:00 p.m.

STAFF IN ATTENDANCE: Jannie Quinn, City Attorney
Linda Lauzze, Neighborhood Services Manager
Anky van Deursen, Associate Planner-Affordable Housing

NUMBER OF PERSONS ATTENDING: 4

The following public comments are organized by topic and not chronologically.

RENT INCREASES

- Participants do not support the Rental Housing Dispute Resolution ordinance because binding arbitration makes this rent control.
- If the Council adopts the proposed program, a participant suggested that the rent increase threshold be set at 10 percent because this coincides with State law that requires 60 days notice for rent increases over 10 percent.
- A question was raised about why rent increases would be limited to only once a year in the draft ordinance.
- A participant noted that the San Jose Apartment Rent ordinance seems to work well and very few mediations are needed because landlords keep rents under the threshold.
- The group suggested that landlords should be able to “bank” rents that are not raised in one year to increase the rent to twice the rent increase threshold the next year.
- The group had a lot of questions about whether the ordinance allows landlords to raise the rent to market rate when tenants voluntarily vacate a unit and asked that this be explained in the Council report.

RENT DISPUTE RESOLUTION PROCESS

- Participants thought the timeline for the conciliation, mediation, and arbitration steps were too long and suggested a five-day deadline for requesting dispute resolution.

- If the Council decides to adopt binding arbitration, participants suggested limiting the cases that go to arbitration to rent increase cases only and do not use arbitration for other tenant issues like deposits or notices. Participants noted tenants have other remedies, such as small claims court, for issues such as security deposits.
- Participants suggested there should be flexibility for landlords to remedy situations without having to go through the process, such as reissuing rent increase notices.
- A participant suggested including a sunset clause in the ordinance that would rescind the ordinance and be triggered by vacancy rates, economic indicators, or similar factors.

LANDLORD REGISTRATION AND FEES

- Participants suggested splitting the cost for the program between landlords and tenants.
- Participants noted that the program cost for binding arbitration could only be charged to apartment units built prior to 1995 and the costs for mandatory mediation could be shared by all units.

OTHER COMMENTS

- If the ordinance is adopted, the group suggested the City undertake a comprehensive outreach effort to explain and let landlords know about the ordinance.
- The group noted the following unintended consequences that could result from adoption of the ordinance:
 - a. Landlords will increase rents on a yearly basis up to the threshold set in the ordinance where previously they might have considered not increasing the rent on a yearly basis. They noted an analysis in San Jose that showed rents went up faster under their rent control program.
 - b. In a downward economy, landlords might choose to keep units vacant, rather than have a very low base rent.
- The group wanted the Council report to clearly indicate any provisions in the draft ordinance that were not specifically directed to be included by Council at the December 1, 2016 Council meeting.