

Summary Table of draft Amendment of CSFRA
Discussion Draft

GUIDE

~~Red, stricken through text~~ is proposed for deletion. Blue, double-underlined text is proposed for addition

Topic	#	Change/Purpose	Cite	Redline Text
RHC – City Relationship				Integrity and Autonomy of Committee. <u>(1) The Committee shall be considered an independent, semi-autonomous City commission with the authority and duty to implement this Article and any other obligations properly delegated to it by the City Council.</u>
	1.	Clarify Independence of RHC & Relationship to City	§1709(k)	(2) The Committee shall be an integral part of the government of the City, but shall exercise its powers and duties under this Article independent from the City Council, City Manager, and City Attorney, except by request of the Committee. The Committee; <u>the Committee is not a separate legal entity. The Committee may carry out its purposes with City employees, third party contractors, or any combination of the two, and</u> may request the services of the City Attorney, who shall provide them pursuant to the lawful duties of the office in Article 711 of the City Charter. In the period between the effective date of this Article and the appointment of the initial members of the Committee, the City shall take whatever steps necessary to perform the duties of the Committee and implement the purposes of this Article.
	2.	Clarify City Council authority to lend or give funds to RHC.	§1709(j)	. . . The Committee is also empowered to request and receive funding when and if necessary from any available source, including the City <u>but subject to City Council approval,</u> for its reasonable and necessary expenses.
	3.	Clarify City Council not required to advance funds RHC.	§1709(j)(2)	City to Advance Initial Funds. During the initial implementation of this Article, the City shall advance all necessary funds to ensure the effective implementation of this Article, until the Committee has collected Rental Housing Fees sufficient to support the implementation of this Article. The City may seek a reimbursement of any advanced funds from the Committee after the Rental Housing Fee has been collected.
	4.	Clarify authority to remove RHC members	§1709(b)	Eligibility and, <u>Appointment, and Removal.</u> Committee members shall be appointed by the City Council at a public meeting, <u>and shall be subject to removal by motion of the City Council adopted by at least four affirmative votes.</u> . . .
	5.	Allow non-residents to become members of RHC	§1709(a) & (b)	(a) <u>Composition.</u> There shall be in the City of Mountain View an appointed Rental Housing Committee comprised of Mountain View residents as set forth in this Section. . . (b) . . . Applicants for membership on the Committee shall submit an application to the City Council. <u>If the City Council determines that it has not received adequate qualifying applications from Mountain View residents for any vacant position, then the City Council may appoint an otherwise eligible person who is not a Mountain View resident to the Committee so long as the person maintains an ownership or trusteeship interest in one or more Covered Rental Units.</u>
	6.	Allow City Council to delegate duties/authority.	§1709(d)(16)	<u>Any other powers and duties delegated to the Committee in an ordinance passed by the City Council so long as the City Council provides for the costs to administer such additional powers or duties, including but not limited to additional financing authority beyond the authority described in Section 1709(j).</u>
7.	Allow City Council to delegate duties/authority.	§1717(a)	This Article supersedes any ordinance passed by the City Council covering the area of rents or evictions, <u>except to the extent that such ordinance passed by the City Council provides greater protections for individuals who rent their primary residence.</u>	

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Capital Improvements	8. Describe separate rent increase process for Capital Improvement	§1710(e)	<p><u>(e) Increases for Specified Capital Improvements. A Landlord pursuing an eligible Capital Improvement may seek reimbursement for all or a portion of the approved costs of that eligible Capital Improvement via a temporary Rent increase in accordance with this Section 1710(e).</u></p> <p><u>(1) "Capital Improvement" means a substantial addition or modification of a physical feature of a Covered Rental Unit, or of a building or Property containing a Covered Rental Unit that primarily benefits one or more Tenants and qualifies as one of the following for purposes of this Section 1710(e).</u></p> <p><u>(A) Necessary to bring the Property into compliance or maintain compliance with applicable state and local codes affecting health and safety, but excluding the costs of any additions or modifications that could have been avoided by the exercise of reasonable diligence in maintaining and making timely repairs to the Covered Rental Unit and/or Property; or</u></p> <p><u>(B) Significantly improves the environmental sustainability of the Covered Rental Unit or Property and results in a reduction in utility or other costs for the Property that are realized by the Tenant(s); or</u></p> <p><u>(C) Significantly extends the useful life of the Covered Rental Unit or Property, but excluding the costs of any additions or modifications that could have been avoided by the exercise of reasonable diligence in maintaining and making timely repairs to the Covered Rental Unit and/or Property.</u></p> <p><u>(D) An improvement to one Covered Rental Unit, subject to the mutual and unanimous consent by the Landlord and Tenant to the terms of installation of and cost recovery for the improvement.</u></p> <p><u>(2) Rules and Regulations. The Rental Housing Committee shall promulgate rules and regulations to implement the temporary increase in Rent authorized by this Section 1710(e), including but not limited to the following features and limits.</u></p> <p><u>(A) The Rental Housing Committee shall publish a list of eligible Capital Improvements and revise the list from time to time.</u></p> <p><u>(B) The Rental Housing Committee may identify approved costs for eligible Capital Improvements or otherwise limit the percentage of an approved cost for an eligible Capital Improvement for which a Landlord may seek reimbursement via a temporary Rent increase under this Section 1710(e).</u></p> <p><u>(C) The Rental Housing Committee shall appropriately amortize the approved costs for eligible Capital Improvements when authorizing temporary Rent increases under this Section 1710(e).</u></p> <p><u>(D) Nothing in this Section 1710(e) may be interpreted to authorize a total Rent increase in excess of the ten percent (10%) of the Rent actually charged to the Tenant, in accordance with Section 1707(e).</u></p> <p><u>(E) No Rent increase may be accepted or received by a Landlord until the Capital Improvement has been completely constructed. No Rent increase may be authorized under this Section 1710(e) for a tenancy that began after the Capital Improvement has been completely constructed or from a Tenant who does not benefit from the Capital Improvement.</u></p> <p><u>(F) No Rent increase may be approved under this Section 1710(e) for a luxury improvement, as may be further defined by the Committee.</u></p> <p><u>(G) Any Rent increase authorized under this Section 1710(e) shall be considered a separate line item of Rent and shall be excluded when calculating an Annual General Adjustment pursuant to Section 1707.</u></p>
	9. Authorize separate process for Capital Improvements	§1710	<p>A Landlord or a Tenant may file a Petition with the Committee seeking adjustment, either upward or downward, of the Rent for any given tenancy in accordance with the standards set forth in this Section, and using the procedures set forth in Section 1711 herein and implementing regulations. <u>The Committee shall adopt separate procedures apart from Section 1711 that are only applicable to temporary Rent increases for specified Capital Improvements authorized by and in accordance with the provisions of Section 1710(e).</u> A Petition shall be on a form provided by the Committee and, if made by the Landlord, shall include a declaration by the Landlord that the Rental Unit complies with all requirements of this Article.</p>
	10. Clarify separate process may result in lawful rent increase.	§1706(b)	<p><u>Rent Increases Regulated.</u> No Landlord shall increase Rent for a Covered Rental Unit except as authorized by this Article. Rent increases shall be limited to those imposed pursuant to Section 1707 (Annual General Adjustment) and Section 1710(a) (Petition for Upward Adjustment—Fair Rate of Return), <u>and Section 1710(e) (Increases for Specified Capital Improvement).</u> A Landlord may set the initial Rent for a new tenancy pursuant to Section 1708 (Initial Rents for New Tenancies).</p>

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	11.	Clarify that 10% rent increase cap applies to Capital Improvement process.	§1707(e)	10% Annual Rent Increase Limit. The overall Rent increase in any twelve-month period shall not exceed ten percent (10%) of the Rent actually charged to the Tenant, <u>including any Rent increase authorized pursuant to Section 1710(e) of this Article</u> . Notwithstanding the foregoing, the overall Rent increase in any twelve-month period may exceed ten-percent (10%) of the Rent actually charged to the Tenant only if that Rent increase is pursuant to a decision of a Hearing Officer or the Committee as a result of a Landlord Petition pursuant to Section 1710(a) of this Article. . .
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Topic	#	Change/Purpose	Cite	Redline Text
Mobile-homes	12.	Expressly exclude mobilehomes from CSFRA	§1703(a)(7)	<u>(7) Mobilehomes and spaces or lots for mobilehomes.</u>

Topic	#	Change/Purpose	Cite	Redline Text
Additional Administrative Amendments	13.	Prohibit RHC from receiving compensation	§1709(o)	<u>Compensation. Committee members shall serve without compensation for their services as such, but may receive reimbursement for necessary traveling and other expenses incurred on official duty when such expenditures have received authorization by the City Council.</u>
	14.	Clarify exemption requires tax-exempt status, not solely nonprofit	§1703(a)(2)	Rental Units in any hospital, convent, monastery, extended medical care facility, asylum, non-profit home for the aged <u>for which an income tax exemption has been approved by the U.S. Internal Revenue Service</u> , or dormitory owned and operated by an accredited institution of higher education;
	15.	Clarify exemption for low income housing tax credit (LIHTC) units	§1703(a)(3)	Rental Units owned or operated or managed by a not-for-profit organization pursuant to a tax-credit program; <u>Rental Units with Rents that are controlled or regulated to be affordable to low-, very low-, or extremely low-income household (as defined in California Health and Safety Code sections 50093, 50105, and 50106) by any government unit, agency, or authority in accordance with a recorded restriction or covenant;</u>
	16.	Clarify state and local laws may be amended.	§1704	(a) Single-Family Homes and Condominiums. Single-family homes, condominiums, and other Rental Units specified in Civil Code § 1954.52(a)(3)(A), <u>as it may be amended.</u> (b) Companion Units. A Rental Unit that is permitted and in compliance with Mountain View City Code Chapter 36, Article IV, Division 10, <u>as it may be amended</u>
	17.	Clarify: 1 duplex on 1 parcel exempt; 2+ duplexes on 1 parcel covered; provide for Base Rent date.	§1704(c)	Duplexes: Both <u>Both</u> Rental Units, if there are no more than two Rental Units located on a single, legal parcel. in a single structure with fewer than three dwelling units being used as residential housing, as defined in Mountain View City Code Section 36.60.11. <u>To the extent a Rental Unit was Fully Exempt under a prior version of this Section 1704(c) of this Article, the date June 25, 2019 shall be substituted as the applicable Base Rent date under Section 1702(b).</u>
	18.	Clarify who staffs/supports RHC	§1709(d)(7)	Establish a budget for the reasonable and necessary implementation of the provisions of this Article, including without limitation the hiring of necessary staff <u>engaging City employees or third-party contractors</u> , and charge fees as set forth herein in an amount sufficient to support that budget.
	19.	Clarify who staffs/supports RHC	§1709(j)	<u>(1)</u> The Committee shall finance its reasonable and necessary expenses, including without limitation engaging any staff <u>City employees or third-party contractors</u> as necessary to ensure implementation of this Article . . .

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Additional Administrative Amendments (Cont'd)	20.	Conform Ellis Act provision with state law requirements/	§1702(m)	Property. <u>All</u> The term "Property" generally refers to a single, legal parcel or lot and includes all Rental Units on a parcel or lot or contiguous parcels or contiguous lots located on that parcel. In limited circumstances "Property" may refer to more than one legal parcel if the parcels are contiguous, under common ownership, <u>and constitute one development.</u>
	21.	Conform Ellis Act provision with state law requirements.	§1705(a)(8)	<u>Withdrawal of the Unit Permanently from Rental Market.</u> The Landlord seeks in good faith to recover possession to withdraw all Rental Units of an entire Property <u>from the rental market. If there are two or more structures on the Property that each contain four or more Rental Units, then the Landlord may withdraw either all Rental Units on the Property or all Rental Units contained in any single structure</u> from the rental market. The Landlord first must have filed the requisite documents with the Committee initiating the procedure for withdrawing Rental Units from rent or lease under Government Code Section 7060 et seq. and all regulations passed by the Committee, with the intention of completing the withdrawal process and going out of the rental business. Tenants shall be entitled to a minimum of 120-day notice, <u>or one (1) year</u> in the case Tenants are defined if the Tenant qualifies as senior or Disabled under Government Code Section 12955.3. Notice times may be increased by regulations if state law allows for additional time.
	22.	Conform Ellis Act provision with state law requirements	§1705(c)	<u>First Right of Return.</u> All Tenants whose tenancy is terminated based upon a basis enumerated in Subsections (a)(6)-(9) herein shall have the first right of return to the Rental Unit if that Rental Unit is returned to the market by the Landlord or successor Landlord. Rent for the Rental Unit shall be the Rent lawfully paid by the Tenant at the time the Landlord gave notice of termination based upon Subsections (a)(6)-(9) herein, <u>plus Annual General Adjustments available under Section 1707.</u>
	23.	Missing words.	§1702(h)	<u>Housing Services.</u> Housing Services include, but are not limited to, repairs, maintenance, painting, providing light, hot and cold water, <u>heat,</u> elevator service, window shades and screens, storage, kitchen, bath and laundry facilities and privileges, janitor services, Utility Charges that are paid by the Landlord, refuse removal, furnishings, telephone, parking, the right to have a specified number of occupants, and any other benefit, privilege or facility connected with the use or occupancy of any Rental Unit. Housing Services <u>relating</u> to a Rental Unit shall include a proportionate part of services provided to common facilities of the building in which the Rental Unit is contained.
	24.	Clarify CSFRA effective date.	§1703(a)(5)	Rental Units with first certificate of occupancy after the effective date of this Article <u>(December 23, 2016);</u> and
	25.	Clarify CSFRA effective date.	§1703(b)(1)	Rental Units with an initial certificate of occupancy dated between February 1, 1995 and the effective date of this Article <u>(December 23, 2016);</u> and
	26.	Clarify revised CPI publication	§1707(a)(1)	The Annual General Adjustment shall be equal to one hundred percent (100%) of the percentage increase in the Consumer Price Index (All Urban Consumers, San Francisco-Oakland- San Jose <u>Hayward</u> region, or any successor designation of that index that may later be adopted by the U.S. Bureau of Labor Statistics) as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the twelve-month period ending as of March <u>February</u> of the current year. . .
	27.	Clarify RHC authority to remand appeals	§1711(j)	<u>Appeal.</u> Any person aggrieved by the decision of the Hearing Officer may appeal to the full Committee for review. On appeal, the Committee shall affirm, reverse, or modify, <u>or remand</u> the decision of the Hearing Officer. . .
	28.	Clarify undefined term	§1718	If the average annual vacancy rate in Controlled <u>Covered</u> Rental Units exceeds five percent (5%), the Committee is empowered, at its discretion and in order to achieve the objectives of this Article, to suspend the provisions of this Article. In determining the vacancy rate for Controlled <u>Covered</u> Rental Units . . .
	29.	Revise internal reference	§1702(r)	<u>Rental Housing Fee.</u> The fee described in Subsection 1709(j) (r) herein.
30.	Add Finding necessary per AB 1482 (2019)	§1701(t)	<u>WHEREAS this binding finding concludes that the just cause for eviction protections amended by the voters of Mountain View are more protective than the protections codified in Civil Code section 1946.2 because this Article: further limits the reasons for termination of a residential tenancy; provides for higher relocation assistance amounts; and provides additional tenant protections that are not prohibited by any other provision of law.</u>	

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	31. Clarify Impact of AB 1482 (2019)	§1707(e)	<u>10% Annual Rent Increase Limit.</u> The overall Rent increase in any twelve-month period shall not exceed ten percent (10%) of the Rent actually charged to the Tenant, including any Rent increase authorized pursuant to Section 1710(e) of this Article. Notwithstanding the foregoing, the overall Rent increase in any twelve-month period may exceed ten-percent (10%) of the Rent actually charged to the Tenant only if that Rent increase is pursuant to a decision of a Hearing Officer or the Committee as a result of a Landlord Petition pursuant to Section 1710(a) of this Article. <u>Nothing in this section shall be interpreted to authorize a Rent increase for a Covered Rental Unit in excess of the amount authorized by state law.</u>
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