From: van Deursen, Anky
To: Black, Patricia; Kennedy, Andrea; Spikes, Jessica
Subject: FW: RHC Questions re. Item 9.1 RHC Agenda
Date: Monday, May 23, 2022 5:47:25 PM

FYI Do we need to store these somewhere?

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From: van Deursen, Anky
Sent: Monday, May 23, 2022 5:41 PM
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Subject: RHC Questions re. Item 9.1 RHC Agenda

Please find below answers provided by staff related to RHC questions regarding Item 9.1:

1. According to page 13 of the staff report, there are 13 CA jurisdictions w/ rent control (incl. MV), and of those, 4 have adopted regulations to address rent concessions. Of the 8 jurisdictions who have not addressed concessions, have there been any negative implications?

Answer: Staff focused research on those jurisdictions that did provide clarifying language regarding concessions and that had language similar to the CSFRA regarding Base Rent. Whether other jurisdictions have issues with concessions depends upon a variety of factors including how their rent stabilization legislation defines Base Rent.

2. In a hypothetical situation where a landlord allows a new tenant to move-in 5 days early without charging additional rent (e.g. if the 1st of the month falls on a Wednesday, and the unit is already vacant), would that technically be considered a rent concession under the proposed definition?

Answer: In case a landlord allows a tenant an early move in, before the formal start date of the lease, the “initial term” would only start on the first day of the lease and the 5 days of free rent would not be calculated in the rent actually paid during the initial term.

3. What are RHC staff's responses to the 5 concerns surfaced in today's CAA letter from Joshua Howard? Specifically:

- The Definitions of Base Rent and Rent in the CSFRA Are Not Mutually Exclusive
- Clarifying that Missed Rent Payments Do Not Reduce the Base Rent Validates, Rather Than Neutralizes, CAA’s Concern Regarding What “Actually Paid” Means
- The Staff Report Misrepresents Due Process Requirements and Misdirects the RHC

- The Staff Report Urges an Approach Followed in a Minority of Rent Controlled Jurisdictions
- The Report Is Blatantly One-sided

Answer: Staff has attempted to address the issues raised by CAA and individual property owners in a succinct manner and believes that all issues were treated even handily and in accordance with the requirements of the CSFRA. Clearly there is a significant disagreement between CAA's reading of the CSFRA and staffs, which is not unusual in the rent stabilization context.