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RENTAL HOUSING COMMITTEE

CITY OF MOUNTAIN VIEW

SHANDY BROOKSFOX and BRIAN KEITH Petitioners, v. SPIEKER COMPANIES, INC. Respondent.	RESPONDENT'S RESPONSE TO THE TENTATIVE DECISION ON APPEAL OF PETITION HEARING DECISION Rental Housing Committee Case No. C23240033 Date: February 19, 2025

INTRODUCTION

Spieker Companies, Inc. ("Respondent") respectfully submits this written response to the Tentative Appeal Decision issued on June 2, 2025, affirming the Hearing Officer's award of $14,273.78 in rent reductions to Petitioners Sandy Brooksfox and Brian Keith.

Respondent continues to object to the Hearing Officer's findings and the Rental Housing Committee's ("Committee") affirmance of those findings on the grounds previously raised in its timely appeal dated May 2, 2025. This response is submitted to preserve those objections and to clarify that the Committee's tentative conclusions are unsupported by the weight of the evidence and misapply key procedural safeguards required under the Community Stabilization and Fair Rent Act ("CSFRA").

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ARGUMENT

I. The Award for Water Heater Noise and Bathtub Clogging Violated Procedural Due Process and CSFRA Requirements.

Respondent maintains that the inclusion of rent reductions for "excessive noise from the water heater" and "bathtub clogging" violated CSFRA §1710(b)(2) and Regulations Chapter 4, §(E)(6), which require tenants to specify in their petition the conditions forming the basis for a rent reduction. These conditions were not identified in the tenant's written petition and were not reasonably encompassed within the issues that were pled. Despite the Committee's conclusion that they fell under the umbrella of "plumbing issues" and that Respondent had actual notice, the record does not support such a finding.

In fact, during the hearing, Respondent's counsel specifically asked the Hearing Officer to clarify whether the water heater noise and bathtub clogging were part of the petition. The Hearing Officer expressly confirmed on the record that they were not included in the petition. At no time did the Hearing Officer notify the parties that she intended to deviate from the CSFRA's procedural requirements by expanding the scope of issues considered. Nor did she provide any justification or legal basis for treating these new allegations as properly before her. As a result, Respondent was affirmatively misled into believing that those issues were not at issue in the proceeding and did not have a fair opportunity to defend against them.

Under well-established due process principles, notice and a meaningful opportunity to be heard are essential—particularly in quasi-judicial proceedings involving the imposition of substantial financial liability. (See Horn v. County of Ventura (1979) 24 Cal.3d 605, 612; CSFRA §1711(h).) Respondent's inquiry and the Hearing Officer's express confirmation that the issues were not included in the petition dispel any notion that Respondent had "actual notice" or knowingly waived any objection. To the contrary, Respondent reasonably relied on the Hearing Officer's statements to prepare its defense.

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The subsequent award of rent reductions based on claims the Hearing Officer confirmed were outside the scope of the petition was a clear denial of due process and inconsistent with the CSFRA. At minimum, the Committee should have remanded for further proceedings rather than affirming findings that were neither noticed nor properly litigated.

II. The Mold and Moisture Awards Ignore the Evidence of Limited Impact and Substantial Remediation.

The Committee improperly affirmed the Hearing Officer's finding that conditions involving mold and moisture existed during multiple months and justified extensive rent reductions, despite limited evidence of actual health hazards, temporary conditions tied to seasonal weather, and the Respondent's substantial mitigation efforts—including roof repairs, gutter cleaning, and caulking.

Respondent does not dispute that isolated moisture issues were reported in winter months. However, the hearing record shows that tenants delayed reporting these issues and that Respondent reasonably responded once notified. The decision to impose a 34% reduction for several months despite those mitigation efforts and limited objective findings reflects an overreach.

Furthermore, the decision fails to account for the tenant's refusal of entry in late 2024, which prevented timely inspections and remediation. The Committee's dismissal of that denial as "temporary" ignores how it obstructed corrective efforts and should have limited the period of rent reduction.

III. The Sewer and Drainage Award Fails to Recognize that the Conditions Were Addressed.

The record shows that Respondent promptly resolved the November 2023 sewer backup via hydrojetting, cleaned and sealed the area, and replaced the toilet. Petitioners admitted they stopped reporting the bathtub clog after August 2023 and began using Drano instead, which undermines the finding of a continuing habitability issue.

While the Committee concluded that tenants "reasonably" ceased reporting because they felt their concerns were being ignored, such a standard contradicts CSFRA §1710(b)(2), which requires ongoing notice and an opportunity to correct. Without continued notice, a landlord cannot cure or mitigate, and tenants cannot retroactively revive those claims many months later.

IV. The Electrical Circuitry Award Was Based on Stale Complaints with No Opportunity to Cure.

The Committee's affirmance of an 8.5% rent reduction for electrical circuit issues improperly relies on complaints from Spring and Summer 2023 that were not pursued after August 29, 2023. The tenant did not notify Respondent of any continued problems thereafter. No evidence shows that electrical conditions remained unresolved during the remaining months of tenancy, or that Respondent was ever given notice or opportunity to investigate.

The CSFRA does not allow rent reductions for abandoned or dormant complaints. The tenant's unilateral decision to "work around" the issue cannot be the basis for awarding over $4,900 in retroactive rent refunds.

V. The Rent Reduction Valuation Was Arbitrary and Excessive.

Although the Committee claims the Hearing Officer applied a consistent methodology, the combined rent reductions—spanning mold, plumbing, electrical, and noise—compound into an excessive total without sufficient grounding in rental value loss.

The decision to assign percentage-based values for isolated or resolved conditions across overlapping time periods results in an inflated refund that does not reflect the actual diminution of value. For example, the 34% award for bedroom moisture and the 8.5% award for electrical issues overlapped without any evidence that both rendered the unit simultaneously uninhabitable to that extent.

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CONCLUSION

For the reasons stated above and in the underlying appeal, Respondent respectfully requests that the Rental Housing Committee decline to adopt the Tentative Appeal Decision as final. At minimum, the Committee should reduce the rent reduction award to reflect the limited duration of any substantiated conditions, exclude improperly pled claims, and account for Petitioners' failure to report or permit access to address conditions.

DATED: June 9, 2025

SPENCER FANE LLP

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