Rental Housing Committee Questions April 24, 2023 – City Council Meeting

ITEM 7.3 Amendments to CSFRA Regulations Chapter 3 - Code of Conduct

1. Please tell me if I missed seeing a description of the role of the alternate RHC member. What would such a description be and is there any reason not to add such a description?

I would see a description to cover that the alternate is present and may take part in discussions even when there is no absence of non-alternate RHC members. That the alternate participates and votes when there is an absence of a non-alternate at that meeting.

And this is more micro - but has been an issue before - does the alternate participate in advisory "straw poll" votes? Or will this be not mentioned and therefore case by case?

The description of the alternate member is in Section 1709(a) of the CSFRA. It provides as follows:

"Composition. 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. The Committee shall consist of five (5) Committee members appointed by the City Council, and an alternate Committee member. The alternate Committee member shall be permitted to attend all Committee meetings and to speak, but not be authorized to vote unless a regular member of the Committee is absent at that meeting or is recused from voting on an agenda item. There shall be no more than two (2) members of the Committee that own or manage any rental property, or that are realtors or developers. Anyone nominated to this Committee must be in compliance with this Article and all other local, state and federal laws regulating the provision of housing. Annually, the Committee shall elect one of its members to serve as chairperson."

The Committee may choose to reiterate and expand upon this description in the Regulations should it choose to do so. "Straw polls" are not typically considered official "votes" by the Committee, so the alternate member has been permitted to participate.

 Next question - regarding section C. Meeting Agenda and Procedure: I believe there is history of the chair and vice chair both participating in setting the agenda with the program administrator. Do these regulations allow that option, if desired? Are there any implications the RHC should be aware of, if more than one RHC member is involved in setting the agenda?

Meeting with staff to set the agenda is only a duty of the Chair of the Committee (see Section A.2 of Chapter 3 of the CSFRA Regulations). However, the Vice Chair is usually invited to participate in those meetings so that they are prepared in case they are required to step in and perform the duties of the Chair. This will continue to be the practice unless the RHC elects to do something different.

3. The Code of Conduct differentiates between Council Advisory Bodies and the Rental Housing Committee. It also goes back and forth with requirements for council members and requirements for Advisory Body members and calls out the RHC as distinct. Should we have a third Personal Code of Conduct for RHC members? Or amend the Advisory Body Member one to include "and Rental Housing Committee"?

Rental Housing Committee members are appointed by the City Council. The Personal Code of Conduct is a requirement established by the City Council for all advisory boards and the RHC, so the RHC cannot amend it. Any amendment would have to be proposed to and approved by the City Council. If the RHC wants to establish a personal code of conduct separate and apart from the City Council's required code of conduct, it could do so via new regulations.

4. Is there an established protocol or precedent for the order of service as Chair and Vice Chair by members of the RHC or other boards?

No. Section 5.2.1 of the Mountain View Code of Conduct merely provides: "Annually, each board, commission, and committee elects one of their members to serve as the presiding officer or chair."

Section A.1 of Chapter 3 of the CSFRA Regulations provides:

<u>Election and Officers</u>. The Committee shall, in the first regular session of each year, elect from their members a Chair and Vice Chair. Following the initial appointment, the term of office shall be for one (1) year. The Chair and Vice Chair shall serve at the pleasure of the Committee during the term of office and may be removed from office by the Committee at any time for any reason. The Vice Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. In case of the resignation or death of the Chair, the Vice Chair shall perform such duties as are imposed on the Chair, until such time as the members shall elect a new Chair.

Traditionally, the Vice Chair for the preceding year is elected as the Chair. However, this is an informal practice rather than a strict requirement proscribed by either the City's or the RHC's rules of conduct. Any member(s) of the Rental Housing Committee, regardless of tenure on the Committee, may be elected as Chair or Vice Chair.

5. After reviewing Rosenberg's rules of order, I see a place in the meeting for clarifying questions from the body, public input, and for the body making motions, which can then be debated. But I don't see the place for what on the council or EPC was typically called deliberation. This is generally a time for the members of body to discuss their points of view, and listen to the other members of the body. Did I miss this? To we intend to allow for deliberation? If so, where does it fit into the process?

Yes, deliberation is permitted. Under Rosenberg's Rules of Order, deliberation would occur in either or both of the following places: (1) after staff's presentation of the agenda item (second step) and/or (2) before or after one or motions have been made and seconded (between steps five and six or during step six). The Rules of Order are merely guidelines, and the Chair of the Committee has discretion to reorder the steps where appropriate. The Committee could also

adopt a regulation clarifying when deliberation will take place, if the Committee believes the regulations are not currently clear enough on this point.

6. Are members of the RHC ever called on to recuse themselves? If so, under what circumstances does this usually arise?

Yes, Section 1709(n) of the CSFRA provides:

"Conflict of interest. Committee members shall not necessarily be disqualified from exercising any of their powers and duties on the grounds of a conflict of interest solely on the basis of their status as a Landlord, realtor, developer, or Tenant. However, a Committee member shall be disqualified from ruling on a Petition if the Committee member is either the Landlord of the Property or a Tenant residing in the Property that is involved in the Petition. The provisions of the Political Reform Act, Government Code Sections 87100 et seq. shall apply."

Based on the foregoing provision of the CSFRA and the definition of "public official" in the California Political Reform Act (Government Code Sections 81000 et seq.) (the "Act"), the provisions of the Act apply to the members of the Rental Housing Committee. Sections 87100-87505 of the Act discuss conflicts of interest. The website for the California Fair Political Practices Commission, which administers and enforces the Act, has good resources for determining when a member of the RHC might generally be required to recuse themselves from a hearing outside of the limitation specifically enumerated in CSFRA Section 1709(n). See here: https://www.fppc.ca.gov/the-law/the-political-reform-act.html

ITEM 7.2 Rent Stabilization Program Quarterly Report

7. Rent Stabilization Quarterly Report Staff Report (pages 2-3): Can you explain what the rules are governing properties partially covered by the CSFRA? Is it only a matter of rent control eviction protection? What laws establish what properties may be covered by these partial protections?

Partially covered units are excluded from the rent stabilization protections of the CSFRA as outlined in CSFRA Section 1703(b) which states the following:

Partially Exempt (Just Cause for Eviction Applies). The following Rental Units are exempt from Sections 1706, 1707, and 1708 of this Article (regarding Stabilization of Rents) and from Sections 1710 and 1711 (regarding Petitions for Individual Rent Adjustment), but are not exempt from Section 1705 (Just Cause for Eviction Protections):

(1) Rental Units with an initial certificate of occupancy dated between February 1, 1995 and the effective date of this Article; and

(2) Rental Units governed by Mountain View City Code Chapter 36, Article XIV ("Affordable Housing Program") to the extent permissible by law.

CSFRA Section 1705 goes on to further define the types of allowed Just Cause Eviction Protections. Costa-Hawkins, a State law, restricts the time-period for coverage of units. You can learn more about Costa-Hawkins here: <u>Codes Display Text (ca.gov)</u> 8. Quarterly Report: There were 329 walkins. How are walkins handled? Are there certain office hours? Will a person always get to talk to staff during walk in hours? Might there be long wait times?

The office receives drop-in/walk-ins throughout the week, typically at a pace of 1 per day. We also schedule appointments for people to come into the office or attend virtually, however, these are counted as appointments. The office also hosts virtual office hours every Tuesday from 10-12. We count the attendees at the Housing and Eviction Help Center as walk-ins as well because they do not have appointments. Unless there is a language access issue, we have been able to assist all walk-in/drop-in community members without issue.

9. Any idea why the drop off in inquiries? Is it due to the ending of COVID?

Yes, the decrease in inquiries is associated with the end of COVID-related Rent Relief. By the end of Q3 for FY 2021-22 (the prior Fiscal Year), we had received 2,325 inquires solely related to COVID-19 Rent Relief. However, if you look at the Fiscal Years prior to COVID, our inquires are well above average.

10. What follow up is being done for landlords that are not paying the rental housing fees or registering their properties? Are there any landlords who have never done either?

Staff provides extensive follow-up and support to reach out to property owners regarding both issues, including issuing fines for the first time, mailing compliance letters to both landlords and tenants, and providing 1:1 support in the form of emails, targeted phone calls and appointment and walk-in based assistance to property owners as needed. The Rent Stabilization Program's Rental Housing Fee collection is on par with prior years and we anticipate a similar compliance rate of around 93-94%. Registration compliance is well above prior years and we anticipate further compliance in the coming months.

11. Of the 213 consultations in a non-English language, how many have NOT been in Spanish?

11 were in Chinese.

12. There were 228 units withdrawn from the rental market in FY 18-19 and 19-20. What happened to these units? Were they redeveloped?

Other than one property, all termination notices to withdraw units from the rental market were given as part of a property redevelopment in accordance with the Tenant Relocation Assistance Ordinance (TRAO). The other termination notices were to remove 2 illegally built units from a larger property. The tenants occupying those illegal units were also offered tenant relocation services under the TRAO. The chart below will list the affected properties.

FY 2018-19		
1950 Montecito Ave	26 Units	TRAO Redevelopment
982 & 986 Bonita Ave	4 Units	TRAO Redevelopment
2310 Rock Street	56 Units	TRAO Redevelopment
FY 2019-20		

296 & 298 Bush	2 Units	Withdraw 2 Illegal Units from the
Street		Market
2005 Rock Street	17 Units	TRAO Redevelopment
1555 W. Middlefield	115 Units	TRAO Redevelopment
Rd		
410-414 Sierra Vista	8 Units	TRAO Redevelopment
Ave		

13. Is the average market rent (particularly for newly built units) shown an asking rent or an actual rent? If not actual rent, is there any way to get data on actual rent? Are rent concessions being offered?

Average market rent is what is being asked without concessions. Rent concessions are being offered and that data is tracked by CoStar under a different index called Average Effective Rent. We utilized average market rent because it is a more stable index over time and industry standard. CoStar does not provide actual rent, however, once we have greater compliance with our registration system, we will have a better idea of what is actually being paid by tenants for fully covered units.

14. Do we have any data on how long newly built units are remaining vacant?

In general, we do not have a data set that shows how long units remain vacant. Additionally, the data set for newly built units is a very volatile index that changes drastically when new buildings enter the market. New units come "online" relatively frequently in Mountain View and this causes the data set to be an unstable reflection of the vacancy rate and/or how long units remain vacant.

15. In the Quarterly Report, what were the Targeted Mailings about (the 4 Landlords, 3 Tenants)? Is it possible for copies of these and the mass mailings to be posted on the website?

Targeted mailings are provided for the following reasons:

- 1. Notice of Banked Rent Increase filed in portal Follow-up packet sent to tenants
- 2. Notice of Termination Follow-up packet sent to tenants
- 3. Compliance Letters 1 letter sent to landlords, if property remains in non-compliance, letter sent to tenants
- 4. Property Registration Open Letter (Landlords with more than 5 units)
- 5. Small Property Registration Packet (Landlords with 5 or less units)
- 6. Fee Invoice and Educational Insert Mailed to all landlords

Mass mailings

- 1. Newsletters
- 2. Postcards

Newsletters are posted on the website, along with the quarterly report and the contents of other mailings are as well. Staff does not recommend posting copies of the letters on the website at this time as they contain sensitive information.

16. Also on the Quarterly, on the Properties Registered percentage, what percentage of overall units are in fully-registered properties?

Registration information (current as of today, April 24, 2023 – the Quarterly Report numbers are through March 31, 2023:

- 71% of all properties are registered
 - o 100% of all MHRSO properties are registered
 - 83% of Partially Covered properties are registered (10/12 properties)
 - 70% of Fully Covered properties are registered