

MEMORANDUM
Rent Stabilization Program,
Community Development Department

DATE: April 24, 2023

TO: Rental Housing Committee

FROM: Patricia Black, Senior Management Analyst
Anky van Deursen, Program Manager

SUBJECT: **Rent Stabilization Program Quarterly Report**

PURPOSE

Receive an overview of the Rent Stabilization Program's Quarterly Report (Attachment 1 to this memorandum) and provide feedback.

BACKGROUND

In December of 2017, staff presented a draft monthly status report that summarized information and provided details on key data points related to market trends and program activities. The Rental Housing Committee (RHC) provided feedback and staff updated the monthly status report to reflect the RHC's direction. Staff has since updated the content and formatting of the monthly status report based on RHC feedback and programmatic changes, including the addition of a separate report focused on the Eviction Prevention Program.

During the November 2022 RHC meeting, staff presented the Communications Plan for Fiscal Year 2022-23. Staff suggested updates to the report based on prior committee input, including altering the reporting period from monthly to quarterly. Additional updates suggested included adding the following data points:

- Registration and fee compliance data (percentage of units registered and percentage of properties paid),
- Average market rent and vacancy rates per unit for fully covered units based on unit size (studio, one bedroom, two bedrooms, three plus bedrooms),
- Annual termination data for CSFRA-covered units since the start of the CSFRA; quarterly look back for the current year,
- Mobile Home data including petitions,
- Housing and Eviction Help Center data,
- Public inquiries over time.

ANALYSIS

The Quarterly Report is an infographic rich, data driven report that highlights elements of programs, provides demographic information and reviews relevant market data. The report is organized into seven key sections based on program area and data type. For example, the Community Outreach and Education section highlights Rent Stabilization Program's efforts in reaching out to and informing the community of their rights and responsibilities under the law while the Eviction Prevention section provides a demographic overview of clients who visit the Housing and Eviction Help Center. Report sections are as follows:

- Community Outreach and Education
- CSFRA Properties and Compliance
- Rent Adjustment Petitions
- Eviction Prevention
- Tenant Relocation Assistance
- Property Sales
- Market Conditions

Methodology

The report compiles data from a variety of sources. Data unrelated to the CoStar databases was obtained by staff through use of internal record keeping and databases, and in partnership with external consultants and vendors, including Associated Right of Way Services (ARWS) and Project Sentinel. Data gathered from CoStar utilizes as regimented and consistent search terms within the database as possible in an effort to adhere to the specifics of the CSFRA.

Please note, CoStar does not gather data for Mobile Home Parks. Future data specific to Mobile Home Parks will be available through the Rent Stabilization Program's registration database. Furthermore, as more properties register with the Program, staff anticipates being able to pull detailed data from the system for both Community Stabilization and Fair Rent Act (CSFRA) and Mobile Home Rent Stabilization Ordinance (MHRSO) covered units.

The data provided by CoStar and used in the Rent Stabilization Program Quarterly Report was obtained as follows:

- **Vacancy Rate Data and Average Asking Rent Data (Average Market Rent):** The search criteria included multi-family properties with three or more units built before 1995; multi-family properties with three or more units built from 1995 through 2016; multi-family properties with three or more units built after 2016; and all multi-family properties with three or more units using the *Properties* database. These four data points illustrate the average vacancy rate and average asking rent trends of vacant units for the total market, including units fully covered by the CSFRA (first occupancy before 1995), units partially

covered by the CSFRA (first occupancy from 1995 through 2015), newly built units not covered by the CSFRA (first occupancy after December 23, 2016) and all units within Mountain View.

- **Multi-Family Property Sales for Units Built Before 1995:** The search criteria for Multi-Family Property Sales for Units Built Before 1995 included multi-family apartment properties with three or more units that sold from 2013 through 2023 within Mountain View using the *Sales Comp* database. Non-Arm's Length Sales, in which there is a relationship between the buyer and the seller of the property, were excluded.
- **Properties Currently for Sale:** The search criteria for Properties Currently for Sale included multi-family apartment properties built before 1995 with three or more units currently for sale within Mountain View using the For Sale database.

RECOMMENDATION

Provide feedback for the Rent Stabilization Program's Quarterly Report.

FISCAL IMPACT

Updates to the Quarterly Report are not anticipated to impact the budget of the RHC.

ATTACHMENTS

1. Quarterly Report: Quarter 2, Fiscal Year 2022-23.