



DATE: April 18, 2017

CATEGORY: Unfinished Business

DEPT.: Community Development Department
and City Attorney's Office

TITLE: **Appointment of Rental Housing
Committee Members**

RECOMMENDATION

Appoint a total of five Rental Housing Committee members (two members to two-year terms and three members to four-year terms) and one alternate.

BACKGROUND

On November 8, 2016, the voters approved a Charter amendment entitled the Community Stabilization and Fair Rent Act ("CSFRA"). The CSFRA became effective on April 5, 2017 following a judge's order. This Charter amendment establishes a Rental Housing Committee with the following powers and duties:

- Setting rents at fair and equitable levels;
- Establishing rules and regulations for administration and enforcement of the CSFRA;
- Determining and publicizing the Annual General Adjustment of Rent;
- Appointing Hearing Officers to conduct hearings on Petitions for Individual Rent Adjustments;
- Adjudicating Individual Rent Adjustment Petitions;
- Administering oaths and affirmations and subpoenaing witnesses and relevant documents;
- Establishing a budget for the reasonable and necessary implementation of the CSFRA, including, without limitation, the hiring of necessary staff, and charging fees in an amount sufficient to support that budget;

- Administering the withdrawal process for the removal of Rental Units from the rental housing market;
- Holding public hearings;
- Conducting studies, surveys, investigations, and hearings, and obtaining information to further the CSFRA;
- Reporting periodically to the City Council on the status of Covered Rental Units;
- Publicizing through reasonable and appropriate means the provisions of this Article, including, without limitation, the rights and responsibilities of Landlords and Tenants;
- Establishing a schedule of penalties that may be imposed for noncompliance with the CSFRA or with rules and regulations implementing the CSFRA;
- Pursuing civil remedies as provided by the CSFRA in courts of appropriate jurisdiction, subject to City Council approval;
- Intervening as an interested party in any litigation brought before a court of appropriate jurisdiction by a landlord or tenant with respect to Covered Rental Units, subject to City Council approval; and
- Any other duties necessary to administer and enforce the CSFRA.

The CSFRA charges the City Council with making the appointments and provides the Committee shall consist of five (5) Committee members and an alternate Committee member. Because these are the initial appointments for the Rental Housing Committee, the appointments shall consist of two (2) members with two-year terms, an alternate with a two-year term, and three (3) members with four-year terms. The CSFRA does not provide any guidance on the designation of the terms. The Council has the discretion to designate the members and their respective terms. For example, the City Council could appoint members to a specific term or select the terms by random drawing.

ANALYSIS

Over the past several months, the City Council has conducted two separate application and interview processes to select applicants for appointment to the Rental Housing Committee. On April 4, 2017, the City Council provided direction to staff to prepare a staff report and agendize the appointment of the selected applicants as members of the Rental Housing Committee at the first opportunity after the CSFRA becomes effective.

The City Council indicated they would like to appoint the following applicants to the Rental Housing Committee:

1. Matthew Grunewald*
2. Vanessa Honey*
3. Tom Means
4. Julian Pardo de Zela
5. Emily Ramos

* Owns or manages a rental property or is a real estate agent or developer.

Now that the CSFRA is effective, staff has brought this item forward. As part of the appointment process, the City Council should determine the two members who will be appointed to a two-year term and the three members who will be appointed to four-year terms.

The Council selected Evan Ortiz as the alternate. Per the CSFRA, the alternate is appointed to a two-year term.

FISCAL IMPACT

There is no fiscal impact to the appointment of the Committee members. The CSFRA requires the City to advance all funds during the initial implementation to ensure its effective implementation until the Committee establishes and collects a Rental Housing Impact Fee. The City has spent considerable funds already and authorized two full-time employees to support the implementation of the CSFRA. The City may seek reimbursement of any advanced funds from the Committee after the Rental Housing Impact Fee has been collected.

ALTERNATIVES

Provide other directions for appointment of members to the Rental Housing Committee.

PUBLIC NOTICING

The meeting agenda and Council report have been posted on the City's web page and announced on Channel 26 and cable television and copies were provided to applicants.

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