

# Minutes

# **Rental Housing Committee**

Committee Members Grunewald, Means, Ramos and Pardo de Zela (alternate), Vice Chair Ortiz, and Chair Honey		
Monday, June 18, 2018	6:00 PM	Council Chambers - 500 Castro St.

## 1. CLOSED SESSION (to be held in the Plaza Conference Room)

At 6:00 p.m., an announcement was made by Associate Planner Van Deursen, who described the item that the Committee would consider on the Closed Session Agenda below, and invited any members of the public to provide public comments on the item.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

No public comments were received.

Closed Session recessed at 6:40 p.m.

## 2. REGULAR SESSION (to be held in Council Chambers)

## 3. CALL TO ORDER

The meeting was called to order at 7:00 p.m.

## 4. ROLL CALL

Present: 5 - Chair Ortiz, Vice Chair Grunewald, Committee Member Honey, Committee Member Means, and Committee Member Ramos
Absent: 1 - Pardo de Zela (alternate)

## 5. MINUTES APPROVAL

5.1 Approve the minutes for May 21, 2018 RHC Meeting

MOTION: M/S - Ramos/ Means - to approve the minutes for the May 21, 2018 RHC meeting.

- Yes: 4 Chair Ortiz, Vice Chair Grunewald, Committee Member Means, and Committee Member Ramos
- Abstain: 1 Committee Member Honey

#### 6. ORAL COMMUNICATIONS FROM THE PUBLIC

Steven Goldstein James Hersh

## 7. PUBLIC HEARING

#### 8. UNFINISHED BUSINESS

#### 8.1 CSFRA Fiscal Year 2018-2019 Budget

Finance and Administrative Services Director Kong presented an oral report and responded to questions.

SPEAKING FROM THE FLOOR WITH COMMENTS: No public comment was received

MOTION: M/S - Grunewald/ Honey - To adopt a resolution adopting the Fiscal Year 2018-19 CSFRA Budget and establishing a Rental Housing Fee.

Yes: 5 - Chair Ortiz, Vice Chair Grunewald, Committee Member Honey, Committee Member Means, and Committee Member Ramos

#### 9. NEW BUSINESS

**9.1** Tenant Hardship Regulations

Justin Bigelow, Special Counsel, Goldfarb and Lipman, presented an oral report and responded to questions.

SPEAKING FROM THE FLOOR WITH COMMENTS:

Steven Goldstein Juliet Brodie Noah Mlotek Nan McGeary Edie Keating Elizabeth Lindsey

MOTION 1: M/S - Honey / None - To adopt Regulations regarding tenant hardship as described below:

- Tenant hardship petitions may be requested only for Banked Increases.

-Any notice requesting an increase in Rent greater than the Annual General Adjustment identified for the current calendar year must reference how to find the tenant hardship petition.

-Hardship Petitions must be received within ten (10) calendar days of the effective date of a rent increase.

-Upon acceptance of a Petition claiming a Tenant hardship by the Rental Housing Committee, the Tenant household shall be liable for and pay to the Landlord on the normal due date the amount of Rent that would be due notwithstanding the notice of Rent increase, plus the current year's Annual General Adjustment; the petitioning Tenant household need not pay the Banked Increase about which the hardship was claimed. Each Decision regarding a rejected Petition will require the Tenant household to pay the Landlord the total requested Rent from the date the increase would have taken effect.

-Definition of tenant hardship:

"Any Tenant household claiming a hardship must verifiably demonstrate that one or more of the following conditions apply to either one or more Tenants in the household, or to the household generally (as specified below). For purposes of defining a hardship, household income means the gross income received in the previous twelve (12) months from all household members over age eighteen (18).

"a. Inadequate Household Income. Any Tenant household whose household income does not exceed one hundred percent (100%) of the median household income for Santa Clara County as adjusted for household size according to the California Department of Housing and Community Development, or that spends more than Thirty-five percent (35%) of the household's income on Rent, shall be presumed a hardship.

"b. Families with Children. Any Tenant household: (i) whose household income does not exceed one-hundred-and-twenty percent (120%) of the median household income for Santa Clara County as adjusted for household size according to the California Department of Housing and Community Development, or that spends more than Thirty-five percent (35%)) of the household's income on Rent, and (ii) which household is the primary residence of one or more dependent children under the age of 18 shall be presumed a hardship.

"c. Senior Household. Any Tenant household: (i) whose household income does not exceed one-hundred-and-twenty percent (120%) of the median household income for Santa Clara County as adjusted for household size according to the California Department of Housing and Community Development, or that spends more than thirty-five percent (35%) of the household's income on Rent, and (ii) which household is the primary residence for one or more persons who are at least 62 years of age shall be presumed a hardship.

"d. Persons with Disabilities. Any Tenant household: (i) whose household income does not exceed one-hundred-and-twenty percent (120%) of the median household income for Santa Clara County as adjusted for household size according to the California Department of Housing and Community Development, or that spends more than Thirty-five percent (35%)) of the household's income on Rent, and (ii) which household is the primary residence for one or more persons with a disability, as defined in Section 12955.3 of the Government Code, shall be presumed a hardship.

"e. Persons who are Terminally III. Any Tenant household: (i) whose household income does not exceed one-hundred-and-twenty percent (120%)of the median household income for Santa Clara County as adjusted for household size according to the California Department of Housing and Community Development, or that spends more than Thirty-five percent (35%) of the household's income on Rent, and (ii) which household is the primary residence for one or more persons who are terminally ill, as

confirmed in writing by the individual's licensed medical care provider, shall be presumed a hardship."

Motion failed for lack of second

MOTION 2: M/S - Means/ Honey (also accepting friendly amendment by Grunewald to include subsection "f" below) - To adopt Regulations regarding tenant hardship as described below:

- Tenant hardship petitions may be requested for Banked Increases and in response to a Fair Return Petition.

-Any notice requesting an increase in Rent greater than the Annual General Adjustment identified for the current calendar year must reference how to find the tenant hardship petition.

-Hardship Petitions must be received within ten (10) calendar days of the effective date of a rent increase.

-Upon acceptance of a Petition claiming a Tenant hardship by the Rental Housing Committee, the Tenant household shall be liable for and pay to the Landlord on the normal due date the amount of Rent that would be due notwithstanding the notice of Rent increase about which the hardship was claimed. Each Decision regarding a rejected Petition will require the Tenant household to pay the Landlord the total requested Rent from the date the increase would have taken effect.

-Definition of tenant hardship:

"Any Tenant household claiming a hardship must verifiably demonstrate that one or more of the following conditions apply to either one or more Tenants in the household, or to the household generally (as specified below). For purposes of defining a hardship, household income means the gross income received in the previous twelve (12) months from all household members over age eighteen (18).

"a. Inadequate Household Income. Any Tenant household whose household income does not exceed one hundred percent (100%) of the median household income for Santa Clara County as adjusted for household size according to the California Department of Housing and Community Development, or that spends more than fifty percent (50%) of the household's income on Rent, shall be presumed a hardship.

"b. Families with Children. Any Tenant household: (i) whose household income does not exceed one-hundred-and-twenty percent (120%) of the median household income for Santa Clara County as adjusted for household size according to the California Department of Housing and Community Development, or that spends more than fifty percent (50%) of the household's income on Rent, and (ii) which household is the primary residence of one or more dependent children under the age of 18 shall be presumed a hardship.

"c. Senior Household. Any Tenant household: (i) whose household income does not exceed one-hundred-and-twenty percent (120%) of the median household income for

Santa Clara County as adjusted for household size according to the California Department of Housing and Community Development, or that spends more than fifty percent (50%) of the household's income on Rent, and (ii) which household is the primary residence for one or more persons who are at least 62 years of age shall be presumed a hardship.

"d. Persons with Disabilities. Any Tenant household: (i) whose household income does not exceed one-hundred-and-twenty percent (120%) of the median household income for Santa Clara County as adjusted for household size according to the California Department of Housing and Community Development, or that spends more than fifty percent (50%) of the household's income on Rent, and (ii) which household is the primary residence for one or more persons with a disability, as defined in Section 12955.3 of the Government Code, shall be presumed a hardship.

"e. Persons who are Terminally III. Any Tenant household: (i) whose household income does not exceed one-hundred-and-twenty percent (120%)of the median household income for Santa Clara County as adjusted for household size according to the California Department of Housing and Community Development, or that spends more than fifty percent (50%) of the household's income on Rent, and (ii) which household is the primary residence for one or more persons who are terminally iII, as confirmed in writing by the individual's licensed medical care provider, shall be presumed a hardship.

"f. Other Hardship. Any Tenant household (i) whose household income does not exceed one-hundred-and-twenty percent (120%) of the median household income for Santa Clara County as adjusted for household size according to the California Department of Housing and Community Development, and (ii) which household does not qualify under the definitions of hardship included [above], and (iii) which household demonstrates other extenuating circumstances may request such circumstances be considered hardship for purposes of this Chapter 7."

- Yes: 3 Vice Chair Grunewald, Committee Member Honey, and Committee Member Means
- No: 2 Chair Ortiz, and Committee Member Ramos
- **9.2** Legal Services Related to Redwood Villa, Inc. v. City of Mountain View and the Mountain View Rental Housing Committee

Associate Planner Van Deursen presented an oral report and responded to questions.

SPEAKING FROM THE FLOOR WITH COMMENTS:

No public comments were received.

MOTION: M/S - Ramos/ Honey - To authorize the Program Manager or other designee to increase the funding for legal services by Goldfarb & Lipman to include litigation services related to the Redwood Villa case by \$50,000 for Fiscal Year 2017-18 in a total amount not to exceed \$250,000.

Yes: 5 - Chair Ortiz, Vice Chair Grunewald, Committee Member Honey, Committee Member Means, and Committee Member Ramos

#### 9.3

### CSFRA Community Outreach Overview

Receive a presentation regarding community outreach and education efforts for the Community Stabilization and Fair Rent Act.

Administrative Analyst Black presented an oral report and responded to questions.

SPEAKING FROM THE FLOOR WITH COMMENTS: Unidentified Speaker

The RHC heard a presentation regarding the planned community outreach and education for the Community Stabilization and Fair Rent Act.

9.4 CSFRA Monthly Status Report May 2018

Administrative Analyst Kennedy presented an oral report and responded to questions.

SPEAKING FROM THE FLOOR WITH COMMENTS:

No comments were received from the public.

The RHC heard a presentation regarding the CSFRA monthly status report for May 2018.

### **10. CLOSED SESSION REPORT**

Chair Ortiz announced that there was no action taken during the closed session.

## 11. COMMITTEE/STAFF ANNOUNCEMENTS, UPDATES, REQUESTS, AND COMMITTEE REPORTS

12. ADJOURNMENT - At 9:32 p.m., Chair Ortiz adjourned the meeting to the next RHC meeting to be held on Monday, July 23, 2018 at 7:00 p.m. in the Council Chambers,500 Castro Street.