Tentative Appeal Decision
Petition Nos. C24250042 and C24250043

Rental Housing Committee Tentative Appeal Decision

Petition Nos. C24250042 and C24250043

The Rental Housing Committee of the City of Mountain View (the "RHC") finds and concludes the following:

I. Summary of Proceedings

On March 25, 2025, Tenant Wenjing Wang ("Ms. Wang") filed petitions for downward adjustment of rent (the "Petitions") on behalf of herself and her son, Shichao Wang ("Mr. Wang"; collectively with Ms. Wang, the "Petitioners"). (Petitioners' Exhs. #1-2.) The Petitions are related to the property located at 507 Central Avenue, Mountain View (the "Property"), specifically Unit (the "Affected Unit"). The Property is owned by Agate Bay, LLC dba Shoreline Apartments, and managed by Steve Welter (collectively, the "Respondent"). Petitioners and Respondent are collectively referred to herein as the "Parties."

The first Petition requested a downward adjustment of rent on the basis that Respondent had unlawfully charged Petitioner \$175.00 for Petitioner's alleged refusal to allow a pest control technician to enter the Affected Unit to complete an inspection on two separate occasions. The second Petition requested a downward adjustment of rent on the basis that Respondent failed to maintain the property in a habitable condition in violation of the Community Stabilization and Fair Rent Act ("CSFRA") due to its alleged failure to remedy secondhand smoke entering the Affected Unit from a neighboring unit on the Property.

On June 23, 2025, a Notice of Prehearing Meeting and Hearing was served on the Parties, setting a Prehearing Meeting for July 15, 2025 and a tentative Hearing date of August 4, 2025.

On July 15, 2025, a Prehearing meeting was conducted by the Hearing Officer via videoconference. The Hearing Officer and the Parties discussed the administrative procedure that would be followed at the Hearing, the burden of proof, and whether additional evidence would be requested. After the Prehearing Meeting, the Hearing Officer issued a Prehearing Summary and Order, granting the Parties until July 25, 2025 to submit additional written evidence and witness lists.

The hearing was held as scheduled on August 4, 2025. The Hearing Record was left open after the Hearing to allow the Parties to submit further evidence requested by the Hearing Officer during the Hearing. The Hearing Record was closed on August 16, 2025.

The Hearing Officer issued a decision on September 23, 2025 ("**HO Decision**"). The HO Decision was served on the Parties on September 24, 2025.

Appeal

CSFRA Section 1711(j) states in part that "[a]ny person aggrieved by the decision of the Hearing Officer may appeal to the full Committee for review." CSFRA Regulations Chapter 5, section H.5.a. provides that the Committee "shall affirm, reverse, or modify the Decision of the Hearing Officer, or remand the matters raised in the Appeal to a Hearing Officer for further findings of fact and a revised Decision" as applicable to each appealed element.

A timely appeal of the HO Decision was received from the Respondent on October 1, 2025 (Appeal").

II. Summary of Hearing Officer Decision

The Hearing Officer issued a detailed decision on the Petitions summarizing the evidence (including the testimony presented at the Hearing) and making findings of fact and conclusions of law. The Hearing Officer found the following:

- 1. Petitioners met their burden of proof to show that Respondent unlawfully increased the Rent for the Affected Unit by charging Petitioners a \$175.00 fee for their alleged failure to allow entry for pest control inspections. If Petitioners have paid the \$175.00 charge posted to their tenant rent ledger on December 3, 2024, then Respondent must refund that amount to Petitioner; however, if Petitioners have not paid the charge, Respondent shall remove the \$175.00 charge from the tenant rent ledger.
- Petitioners demonstrated by a preponderance of the evidence that Respondent failed to maintain the Property and the Affected Unit in a habitable condition due to secondhand smoke from a neighboring unit entering the Affected Unit.
 - a. Petitioners were entitled to a twenty percent (20%) Rent reduction for the period from November 6, 2024 through December 6, 2024 and a one hundred percent (100%) Rent reduction for the period from December 7, 2024 through January 8, 2025, for a total Rent refund of Two Thousand Six Hundred Forty-Eight Dollars and Sixteen Cents (\$2,648.16).
- 3. Because Respondent was not substantially compliant with the requirements of the CSFRA from November 6, 2024 through January 8, 2025, the rent increase of seven-and-fourtenths percent (7.4%) that went into effect on January 1, 2025 was invalid.
 - a. At the time of the Hearing, the lawful Rent for the Affected Unit was \$2,195.00.
 - b. In addition, Petitioners were entitled to Rent refund of One Thousand Two Hundred Ninety-Six Dollars (\$1,296.00) as a refund of premises rent through August 30, 2025 for an unlawful rent increase noticed on November 22, 2024 and

effective January 1, 2025, plus any amounts above \$2,195.00 paid by Tenant on or after September 1, 2025.

4. Finally, the Hearing Officer lacked authority to render a decision based on the Petitioners' allegations with respect to: (1) the legality of any entry into the Affected Unit on November 6, 2024 and November 9, 2024; (2) the legality of a "Written Notice to Cease" posted at the Affected Unit on June 9, 2024; or (3) allegations of harassment, retaliation, or discrimination by the Respondent.

III. Appealed Elements of Hearing Officer Decision

CSFRA Regulations Chapter 5, section H.1.a. states that "[t]he appealing party must state each claim that he or she is appealing, and the legal basis for such claim, on the Appeal request form." Section III of this Appeal Decision identifies the elements of the Decision that are subject to appeal by the Respondent. The Appeal Decision regarding each appealed element is provided in Section IV of this Appeal Decision.

The Respondent-Landlord raises one issue in the Appeal, which is framed as follows:

"Systemic favoritism and bias for the tenant and against the landlord. The hearing officer accepted numerous statements from tenant as fact and basis for their decision while at the same time, apparently, not believing statements made by the landlord. Thus, the hearing officer erred in their petition decisions."

IV. <u>Decision Regarding Appealed Elements</u>

While the Appeal alleges that the Hearing Officer "accepted numerous statements from tenant as fact and basis for their decision" but did not believe "statements made by the landlord," it does not specify which of Petitioner's statements were (but should not have been) accepted as fact or which of the Respondent's statements were not (but should have been) accepted as fact. Despite the lack of specificity in the Appeal as to the nature of the "systemic favoritism and bias" demonstrated by the Hearing Officer toward the Petitioner, this Appeal Decision nonetheless seeks to analyze and address the Appellant-Landlord's claims of bias or impartiality to the greatest extent possible.

Both the federal and state Constitutions require the government to afford persons due process before depriving them of "life, liberty or property." (US Const., 14th Amend.; Cal. Const., art. I, § 7.) The most fundamental requirements of procedural due process are adequate notice and an opportunity to be heard before a fair and impartial presiding officer or body. (*Horn v. County of Ventura* (1979) 34 Cal.3d 605, 612.) The requirements of due process extend to administrative adjudications. (*Id.*) Administrative adjudications, or quasi-judicial proceedings, involve the application of a rule or standard to the specific facts of an individual case to determine specific rights or take specific actions under existing law. (*Arnel Dev. Co. v. City of Costa Mesa* (1980) 28

Cal.3d 511, 519.) Undoubtedly, hearings on Individual Rent Adjustment Petitions are considered quasi-judicial proceedings that require a guarantee of due process.

In essence, the instant Appeal raises the issue of whether the Hearing Officer was "fair and impartial" as required by the guarantee of due process. A tribunal is not fair unless "the judge or other decision maker is free of bias for or against a party." (Morongo Band of Mission Indians v. State Water Resources Control Bd. (2009) 35 Cal.4th 731, 737.) The decisionmaker – in this case, the Hearing Officer – is presumed impartial. (Id.) Except in cases of financial or other personal interest, "the presumption of impartiality can be overcome only by specific evidence demonstrating actual bias or a particular combination of circumstances creating an unacceptable risk of bias." (Id.; see also Alpha Nu Ass'n of Theta Xi v. University of S. Cal. (2021) 62 Cal.App.5th 383, 418 (explaining that party claiming bias bears the burden of showing actual bias or high probability thereof); Petrovich Dev. Co. v City of Sacramento (2020) 48 Cal.App.5th 963, 974 (holding that although actual bias need not be proved, it must be established with "concrete facts" rather than inferred from mere appearances).)

In the instant case, the Respondent has not satisfied this burden. For one, the CSFRA Regulations establish strict selection criteria for hearing officers to prevent conflicts and bias. The CSFRA Regulations state that a hearing officer must "[n]ot currently [be] a member of a tenant or landlord advocacy group or trade organization" and that "[a]ny individuals who own a property in Mountain View that could qualify as a rent-stabilized unit are ineligible to be selected as a Hearing Officer." (CSFRA Regs., ch. 5, sec. B.2.c.) In addition, the Regulations provide:

"A Hearing Officer shall disqualify themselves from hearing a case or can be disqualified by the Rental Housing Committee following the written request of one (1) of the parties if:

- a. The Hearing Officer knows or has reason to know they have a financial interest affected by the determination or award;
- b. The Hearing Officer is related to one (1) of the parties or their representatives to the third degree;
- c. The Hearing Officer has been retained or employed by one (1) of the parties within the past two (2) years or has given advice to one (1) of the parties relative to the issues involved in the hearing;
- d. It appears probable that the Hearing Officer, by reason of bias or prejudice, cannot provide a fair and impartial hearing; or
- e. The Hearing Officer is a party to the hearing."

(CSFRA Regs., ch. 5, sec. B.3.) Respondent has put forth no specific evidence that the Hearing Officer in this case either failed to meet the selection criteria or should have recused herself from the instant matter due to the existence of one of the disqualifying circumstances above.

Respondent has also failed to demonstrate that the Hearing Officer exhibited bias at the hearing. After review of the hearing tape, the Hearing Officer conducted the hearing in accordance with all of the requirements of the CSFRA and the Regulations. The Hearing Officer established ground

rules at the beginning of the hearing to ensure fairness, confirmed that neither party had objections to the evidence submitted prior to the Hearing, and even circled back to an objection that the Respondent had raised at the pre-hearing conference to ensure that the Respondent was in fact waiving said objection and was comfortable proceeding with the Hearing as scheduled. Thereafter, both parties were given ample opportunity to present evidence, including opening and closing statements, and to cross-examine each other. The Hearing Officer also asked clarifying questions to both Parties to solicit clearer testimony. A complete review of the hearing record does not show any evidence of bias.

Respondent's basis for its claim of bias is a vague reference to the decisions that the Hearing Officer made regarding the testimony presented by the Parties at the Hearing. However, the weighing of evidence is one of the central duties of a Hearing Officer. The CSFRA grants Hearing Officers broad authority to "conduct a hearing to act upon the Petition" and "to render a final decision on the merits of the Petition, subject to the provisions of the CSFRA and the Regulations. (CSFRA § 1711(a).) The Regulations further provide that at a petition hearing, the "Petitioner and other affected parties may offer any documents, testimony, written declarations, or other evidence that, in the opinion of the Hearing Officer, is credible and relevant to the requested rent adjustment" and the "Hearing Officer shall consider any relevant evidence if it is the sort of evidence which a reasonable person might consider in the conduct of serious affairs...." (CSFRA Regulations, ch. 6, sec. E.4.) The language of the regulations thus makes clear that a Hearing Officer has discretion not only to admit or omit evidence, but also to determine whether the evidence is credible or relevant. By determining which of the Parties' statements were credible or not, the Hearing Officer merely performed the duties required of her by the law.

Finally, there is no evidence that HO Decision is inappropriately partial to the Petitioner, or that it was unsupported by substantial evidence in the record. In fact, the HO Decision demonstrates that the Hearing Officer was fair in her decision and that she did consider the evidence and testimony put forth by Respondent.

Section VII.A. of the HO Decision enumerates the findings of fact made by the Hearing Officer. Of importance here, several of the findings of fact are based on testimony or documentary evidence from the Respondent. For example, finding #11 concludes that "Respondent submitted a report from Kilroy Pest Control, dated November 6, 2023, indicating that the technician attempted to enter the Affected Unit on November 6, 2023 at 11:16 a.m. to inspect for bed bugs but was denied permission to enter." (HO Decision, at p. 10.) Finding #16 concludes "On December 3, 2024, Respondent charged Petitioner \$175.00 as a 'damage fee.' The fee was imposed because, according to Respondent, Ms. Wang denied entry for a pest control inspection twice...." (HO Decision, at p. 11 (emphasis added).) Several other of the findings also rely on Mr. Welter's testimony or Respondent's evidence. (HO Decision, at p. 11, findings #25, 27, 32, 36, 37, 39.) It is unclear, then, how the Hearing Officer was biased toward the Petitioner when she clearly found much of Mr. Welter's testimony to be credible and supported by Respondent's evidentiary submissions.

The Hearing Officer not only found much of Mr. Welter's testimony and Apellant's evidence credible, she also carefully weighed all the testimony and evidence from both Parties in reaching her decision. As an example, in his testimony, Mr. Welter "stated that the Petitioner is requesting a downward adjustment of rent for the month of October 2024; however, Respondent was not notified of the smoking issue until October 30, 2024." (HO Decision, at p. 8.) Based on this testimony, the Hearing Officer determined:

"Respondent was first notified of the smoking issue on October 30, 2024. Given the City Council's position that secondhand smoke is detrimental to the public health and welfare, it would have been reasonable for Respondent to commence taking effective steps to resolve the issue within one week of that time, which would have been November 6, 2024. Mr. Wang returned to the Affected Unit on January 8, 2025, and Ms. Wang testified that the smoking issue has subsided for the most part since then. Therefore, the relevant time period for calculating a reduction of rent is November 6, 2024 through January 8, 2025." (HO Decision, at p. 21 (emphasis added).)

Even though the Petitioner had requested a rent reduction from October 1, 2024, the Hearing Officer accepted the Respondent's testimony regarding the date on which the Petitioner provided notice of the smoking issue and thereby only awarded a rent reduction for the smoking issue beginning on November 6, 2024.

In conclusion, Respondent has put forth no evidence of bias on the part of the Hearing Officer, and the Hearing Officer's impartiality is evidenced by her careful consideration of all the evidence from both Parties and her reasoned conclusions in the HO Decision.

V. Conclusion

As detailed above, the RHC **AFFIRMS** the Decision in its entirety as follows:

- A. Petitioners met their burden of proof to show that Respondent unlawfully increased the Rent for the Affected Unit by charging Petitioners a \$175.00 fee for their alleged failure to allow entry for pest control inspections. If Petitioners have paid the \$175.00 charge posted to their tenant rent ledger on December 3, 2024, then Respondent must refund that amount to Petitioner; however, if Petitioner has not paid the charge, Respondent shall remove the \$175.00 charge from the tenant rent ledger.
- B. Petitioners demonstrated by a preponderance of the evidence that Respondent failed to maintain the Property and the Affected Unit in a habitable condition due to secondhand smoke from a neighboring unit entering the Affected Unit.
 - 1. Petitioners are entitled to a twenty percent (20%) Rent reduction for the period from November 6, 2024 through December 6, 2024 and a one hundred percent (100%) Rent reduction for the period from December 7, 2024 through January 8,

2025, for a total Rent refund of Two Thousand Six Hundred Forty-Eight Dollars and Sixteen Cents (\$2,648.16).

- C. Because Respondent was not substantially compliant with the requirements of the CSFRA from November 6, 2024 through January 8, 2025, the rent increase of seven-and-fourtenths percent (7.4%) that went into effect on January 1, 2025 was invalid.
 - 1. The lawful Rent for the Affected Unit is \$2,195.00.
 - 2. Petitioners are entitled to Rent refund of One Thousand Nine Hundred Fourty-Four Dollars and Zero Cents (\$1,944.00) as a refund of premises rent in unlawful Rent increases collected by Respondent from January 1, 2025 through December 18, 2025 plus any Rent paid in excess of the lawful Rent of \$2,195.00 for each month thereafter, as reflected in Attachment 1, Updated Award Schedule, appended to this Appeal Decision.
- D. Absent an action for writ of administrative mandamus, the total amount owed to Petitioner from Section A is due and payable to Petitioners immediately. If Petitioner fails to receive a full refund from Respondent within thirty (30) days after this decision becomes final, Petitioner may withhold rent payments until such time Petitioner has withheld a total of amount of the refund due. If Petitioner vacates Property prior to recovering from Respondent the total refund amount, then the remaining balance shall be come immediately due and owing no later than the date on which the Petitioner vacates the Property. In such case, if Respondent fails to provide Petitioner with the remaining balance on or before the date on which Petitioner vacates the Property, Petitioner shall be entitled to a money judgment in the amount of the unpaid payments in an action in court or any other administrative or judicial or quasi-judicial proceeding.
- E. The payments and credits to Petitioner as set forth herein shall be enforceable as to any successor in interest or assignees of Respondent.
- F. If a dispute arises as to whether any party to this Appeal has failed to comply with this Appeal Decision, any party may request a Compliance Hearing pursuant to CSFRA Regulations, Chapter 5 Section (J)(1).

Hearing Officer Decision re Unlawful Rent

		Actua	l			
	Actual	Additio	nal	Payments in		
Month/Year of	Premises	Service	es		Excess by	
Rent Payment	Rent Paid	Paid	Lawful Rent		Petitioner	
01/2025	\$ 2,357.00	\$	- \$ 2,195.00	\$	162.00	
02/2025	\$ 2,357.00	\$	- \$ 2,195.00	\$	162.00	
03/2025	\$ 2,357.00	\$	- \$ 2,195.00	\$	162.00	
04/2025	\$ 2,357.00	\$	- \$ 2,195.00	\$	162.00	
05/2025	\$ 2,357.00	\$	- \$ 2,195.00	\$	162.00	
06/2025	\$ 2,357.00	\$	- \$ 2,195.00	\$	162.00	
07/2025	\$ 2,357.00	\$	- \$ 2,195.00	\$	162.00	
08/2025	\$ 2,357.00	\$	- \$ 2,195.00	\$	162.00	
09/2025	\$ 2,357.00	\$	- \$ 2,195.00	\$	162.00	
10/2025	\$ 2,357.00	\$	- \$ 2,195.00	\$	162.00	
11/2025	\$ 2,357.00	\$	- \$ 2,195.00	\$	162.00	
12/2025	\$ 2,357.00	\$	- \$ 2,195.00	\$	162.00	
RENT AWARD DU	\$	1,944.00				

^{*} The total does not include the potential amounts overpaid after 12/18/2025

Hearing Officer Decision re Failure to Maintain Habitable Premises and Reduction in Housing Services or Maintenance

Habitability/Ho using Service Reduction	Month/Year	Month/Year Issue	Number of Months Issue	Number of Days	Monthly	Percentag e	Monthly Reduction	Daily Reductio	Total Rent Reduction
Issue	Issue Began	Resolved	Persisted	Issue Persisted	Rent	Reduction	(\$)	n (\$)	Awarded
Smoking	11/6/2024	12/6/2024	1		\$2,195.00	100%	\$2,195.00	\$ 73.17	\$ 2,195.00
	12/7/2024	1/8/2025	1	1	\$2,195.00	20%	\$ 439.00	\$ 14.16	\$ 453.16
					\$ -	0%	\$ -	\$ -	\$ -
	TBD	TBD	TBD	TBD	\$ -	0%	\$ -	\$ -	TBD
	TBD	TBD	TBD	TBD	\$ -	0%	\$ -	\$ -	TBD
RVICE REDUCTION AWARD DUE TO PETITIONER**								\$ 2,648.16	

^{**} The total does not include the potential amounts overpaid after 12/18/2025

TOTAL REFUND OWED TO PETI \$ 4,592.16

Credit Schedule

Month/Year of	Unpaid Rent Owed to		Rent Credited to		Total Payment to be Paid by	
Rent Payment	-	_andlord		etitioner	-	etitioner
01/2026	\$	2,195.00	\$	2,195.00	\$	-
02/2026	\$	2,195.00	\$	2,195.00	\$	-
03/2026	\$	2,195.00	\$	202.16	\$	1,992.84
	\$	-	\$	-	\$	-
	\$	-	\$	-	\$	-
	\$	-	\$	-	\$	-
	\$	-	\$	-	\$	-
	\$	-	\$	-	\$	-
	\$	-	\$	-	\$	-
TOTAL***			\$	4,592.16		_

 $[\]ensuremath{^{\star\star\star}}$ The total does not include the potential amounts overpaid after 12/18/2025

Refund Schedule

Month/Year	Overpaymen		
Refund Due	t Type	R	efund Due
		\$	4,592.16
		\$	-
TOTAL		\$	4,592.16