

RICHMOND, CALIFORNIA, February 20, 2019

The Regular Meeting of the Richmond Rent Board was called to order at 5:00 P.M.

PLEDGE TO THE FLAG

ROLL CALL

Present: Boardmembers Finlay, Maddock, and Vice Chair Gerould

Absent: Chair Gray.

(Chair Gray present as of 5:15 P.M.)

STATEMENT OF CONFLICT OF INTEREST

None.

AGENDA REVIEW

None.

PUBLIC FORUM

Cordell Hindler invited the Rent Board to attend community events that will be held during the months of February and March. He reported that he received confirmation from the Richmond Heights Council that they would like Executive Director, Nicolas Traylor to provide a presentation about Rent Control, at their meeting held in March.

Iлона Clark expressed concerns regarding Item F-7 on the agenda. She feels that the article by Dr. Stephen Barton titled “The Economics of Residential Rent Control: The not so simple matter of supply and demand” is biased and inaccurate. She also expressed confusion as to why this article was placed on the Consent Calendar and felt the need to address it.

RENT BOARD CONSENT CALENDAR

On motion of Boardmember Maddock, seconded by Vice Chair Gerould, the item(s) marked with an (*) were approved with Chair Gray absent.

*F-1. Approve the minutes of the December 19, 2018, Regular Meeting of the Richmond Rent Board. **This item was continued from the January 16, 2019, meeting.**

*F-2. Receive letters from community members regarding the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, RMC 11.100. **This item was continued from the January 16, 2019, meeting.**

*F-3. Receive the December 2018 Rent Program Monthly Report. **This item was continued from the January 16, 2019, meeting.**

*F-4. Receive the January 2019 Rent Program Monthly Report.

*F-5. Approve a contract for community legal services with Bay Area Legal Aid in the amount of \$25,000 for Fiscal Year 2018-19. **This item was continued from the January 16, 2019, meeting.**

*F-6. Receive the Rent Program FY 2018-19 Monthly Revenue and Expenditure Report through January 2019.

*F-7. Receive report by Dr. Stephen Barton from the February issue of “Dollars and Sense” titled “The Economics of Residential Rent Control: The not so simple matter of supply and demand.”

STUDY AND ACTION SESSION

G-1. Deputy Director, Paige Roosa presented on the matter to receive a proposed draft of Fiscal Year 2019-20 Rent Program operating budget options and corresponding draft Rental Housing Fee Study and requested the Rent Board provide further direction to staff. The presentation included the statement of the issue, Rent Program Mission Statement, proposed Rent Program Organizational Chart, proposed 2019-20 Goals, Expense and Revenue Summary, Proposed Fiscal Year 2019-20 Budget Options, and a Draft Fiscal Year 2019-20 Rental Housing Fee Study, including the proposed fee structure, overview of the proposed elimination of a “third tier” lesser fee for governmentally-subsidized rental units, Rental Housing Fees for each budget option, comparison to peer jurisdictions, staff recommendations and the recommended action. Discussion ensued. There were no public comments on this item. The

following direction was provided to staff by individual members of the Board: (1) Support for the elimination of a “third tier” for governmentally subsidized Rental Units (Maddock and Finlay); (2) support for the hiring of an additional bilingual Staff Attorney (Maddock); (3) explore the possibility of incorporating uncollected revenue due to a reduction in the number of total Rental Units in next year’s fee study (Maddock); (4) develop financial projections to show the cost differential between hiring FTEs versus utilizing contract services (Gray); (5) support hiring FTEs and avoid the use of contract services, except where appropriate (Gerould); (6) consider including a chronological comparison of current and historic amounts charged for the Rental Housing Fee (Finlay); (7) compile financial “best practices” for the Rent Board and staff members, including discretionary spending limits and budget amendment authority, modeling the City’s standard practices, for the Board’s future consideration and adoption (Gray and Gerould); and (8) support for Budget Option A (Gray, Gerould, Finlay, and Maddock).

RENT BOARD AS A WHOLE

H-1. Executive Director, Nicolas Traylor presented on the matter to (1) adopt a resolution establishing a limit on rent increases in LIHTC rental units not to exceed 5% per year and affirming the proposed amendments to Rent Board Regulation 204 as set forth by the Affordable Housing Ad Hoc Committee; (2) amend Regulation 204 to: (a) clarify those provisions of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, Richmond Municipal Code, and California Civil Code, where, if violated, may result in a revocation of the exemption from Section 11.100.070 of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance as provided in Regulation 202; and (b) establish a process for revocation of such exemption. The presentation included a statement of the issue, timeline, questions, proposals, potential benefits and potential drawbacks recommended by the Ad Hoc Committee, summary of Ad Hoc Committee recommendations, estimated fiscal impact of the Ad Hoc Committee recommendation, and the recommended action. Discussion ensued. The following individual gave comments: Ilona Clark. A motion by Chair Gray, seconded by Boardmember Finlay, to (1) adopt a resolution establishing a limit on rent increases in LIHTC rental units not to exceed 5% per year and affirming the proposed amendments to Rent Board Regulation 204 as set forth by the Affordable Housing Ad Hoc Committee; (2) amend Regulation 204 to: (a) clarify those provisions of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance,

Richmond Municipal Code, and California Civil Code, where, if violated, may result in a revocation of the exemption from Section 11.100.070 of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance as provided in Regulation 202; and (b) establish a process for revocation of such exemption, passed by the following vote: **Ayes:** Boardmembers Finlay, Maddock, Vice Chair Gerould and Chair Gray. **Noes:** None. **Abstentions:** None. **Absent:** None.

H-2. Executive Director, Nicolas Traylor presented on the matter to receive an update concerning the City of Richmond's request for the Rent Program to administer housing-related ordinances and requested the Rent Board provide further direction to staff. The presentation included an update about the series of meetings held between Rent Program staff members, city departments, and policy advocates after the December 2018 Rent Board meeting. He informed the Board that after reviewing the current resources and administrative capacity of the Rent Program, the Program does not have the bandwidth or the resources to properly implement one or all three of the housing related ordinances. Discussion ensued. The following individual gave comments: Ilona Clark. Boardmembers Maddock, Finlay, and Gerould gave statements providing a rationale for their respectful decline of the involvement of the Rent Program and Rent Board from oversight or administration of the Fair Chance, Tenant Screening, and Source of Income ordinances.

REPORTS OF OFFICERS

Executive Director, Nicolas Traylor gave a brief report on the upcoming Rights and Responsibilities for Richmond Landlords workshop on February 23, 2019. He also mentioned the recent influx of Public Record Act (PRA) requests received since May 2018. He gave a brief description of the process for receiving PRA requests as well the process of responding to PRA requests. He also assured the Boardmembers that Rent Program staff balances the responsibility to protect the privacy of information for both Landlords and Tenants. Staff Attorney, Charles Oshinuga, clarified the process for reviewing the documents and the criteria for withholding documents based on the law.

ADJOURNMENT

There being no further business, the meeting adjourned at 7:01 P.M.

Cynthia Shaw and Bailey Maher
Staff Clerks

(SEAL)

Approved:

DAVID GRAY
David Gray, Chair