

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: May 16, 2018

Final Decision Date Deadline: May 16, 2018

STATEMENT OF THE ISSUE: Section 11.100.060(e)(6) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (Rent Board Powers and Duties) requires the Rent Board to report annually to the City Council on the status of rental housing covered by the Rent Ordinance. Staff members are seeking approval of the 2017-18 Annual Report prior to its presentation to the City Council.

INDICATE APPROPRIATE BODY

- | | | | | |
|---|---|--|--|---|
| ☐ City Council | ☐ Redevelopment Agency | ☐ Housing Authority | ☐ Surplus Property Authority | ☐ Joint Powers Financing Authority |
| ☐ Finance Standing Committee | ☐ Public Safety Public Services Standing Committee | ☐ Local Reuse Authority | ☒ Other: <u>Rent Board</u> | |

ITEM

- | | | |
|---|--|---------------------------------|
| ☐ Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| ☐ Public Hearing | ☐ Regulation | ☐ Other: |
| ☐ Contract/Agreement | ☒ Rent Board As Whole | |
| ☐ Grant Application/Acceptance | ☐ Claims Filed Against City of Richmond | |
| ☐ Resolution | ☐ Video/PowerPoint Presentation (contact KCRT @ 620.6759) | |

RECOMMENDED ACTION: RECEIVE AND APPROVE the 2017-18 Rent Program Annual Report and DIRECT staff to present the report to the City Council in June 2018 – Rent Program (Nicolas Traylor/Paige Roosa 620-6564).

AGENDA ITEM NO:

H-1.



AGENDA REPORT

DATE: May 16, 2018

TO: Chair Gray and Members of the Rent Board

FROM: Nicolas Traylor, Executive Director
Paige Roosa, Deputy Director
Brenda Ogutu, Graduate Student Fellow

SUBJECT: 2017-18 RENT PROGRAM ANNUAL REPORT

STATEMENT OF THE ISSUE:

Section 11.100.060(e)(6) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (Rent Board Powers and Duties) requires the Rent Board to report annually to the City Council on the status of rental housing covered by the Rent Ordinance. Staff members are seeking approval of the 2017-18 Annual Report prior to its presentation to the City Council.

RECOMMENDED ACTION:

RECEIVE AND APPROVE the 2017-18 Rent Program Annual Report and DIRECT staff to present the report to the City Council in June 2018.

FISCAL IMPACT:

There is no fiscal impact related to this item.

DISCUSSION:

Background

Section 11.100.060(e)(6) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (Rent Board Powers and Duties) requires the Rent Board to report annually to the City Council on the status of rental housing covered by the Rent Ordinance. At a minimum, the report must include a summary of the number of notices served, the basis upon which they were served, the amount of rent increases, and the addresses for which they were served.

Contents of the 2017-18 Annual Report

The 2017-18 Annual Report is the Rent Program's first annual report. As such, staff members sought to include additional information about the purpose and basic principles of the Ordinance, as well as key elements of the Rent Program Department.

More specifically, the report includes the following chapters:

- A letter from the Executive Director
- Acknowledgments of staff members and volunteers
- Rent Program mission statement
- Overview of the Rent Ordinance
- Development of the Rent Program
- Rent Regulations basics
- Elements of active enforcement
- Goals for Fiscal Year 2018-19
- An appendix containing a list of all discernible rental property addresses served rent increases between December 24, 2016, and December 14, 2017.

Next Steps

If approved by the Rent Board at the May 16, 2018, Regular Meeting, staff members anticipate the Annual Report will be presented to the City Council in June 2018.

DOCUMENTS ATTACHED:

Attachment 1 – 2017-18 Rent Program Annual Report

STABILITY

RICHMOND RENT PROGRAM 2017-18 ANNUAL REPORT



CITY OF RICHMOND RENT PROGRAM

Physical Location:

**440 Civic Center Plaza, Suite 200 (Second Floor)
Richmond, CA 94804**

Phone:

(510) 234-RENT (234-7368)

Email:

rent@ci.richmond.ca.us

Website:

www.richmondrent.org



This report was created in accordance with Section 11.100.060(e)(6) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, which requires the Rent Board to report annually to the City Council of the City of Richmond on the status of rental housing covered by the Ordinance.

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LETTER FROM THE DIRECTOR



DEAR RICHMOND COMMUNITY MEMBERS,
I have the privilege of presenting to you the Rent Program's first annual report. At its core, the Rent Program is about preserving community stability and empowering residents to use state and local housing laws to inform their actions and settle disputes. The Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance is a community stabilization Ordinance, where Tenants are afforded reasonable and predictable rent increases, and Landlords are entitled to a fair return.

Renters in Richmond, as in most Bay Area cities, have been grappling with housing insecurity resulting from an inflated rental housing market. The Richmond Rent Ordinance and the Rent Program were put in place by Richmond voters to stabilize this inflated market.

Prior to rent control being in place in Richmond, many tenants had limited housing stability. Tenants could be evicted without cause or be displaced through a significant rent increase. Tenants in Richmond are now protected from unwarranted evictions and excessive rent increases. The Richmond Rent Ordinance affords landlords the right to evict tenants who don't pay rent, continually violate their lease agreement, cause damage or nuisance, to move into their own property as their primary residence, or withdraw the unit from the rental market in accordance with the Ellis Act. Homeowners of single family homes or condominiums can also create Temporary Tenancies, where they can temporarily contract to rent to a tenant for up to a year, with the right to move back into their home without having to pay relocation assistance. Landlords are also afforded annual cost-of-living rent increases, tied to 100% of the Consumer Price Index. Finally, Landlords can also petition the Rent Board for an individual rent increase above the annual cost-of-living increase, when they are not receiving a fair return.

The Rent Program opened to the public on January 3, 2017, under the guidance of, and with support from, several talented City staff members in the City Manager's Office. Without their initial investment and support, the Rent Program would not have been able to thrive and grow into a fully-operative Department that will continue to achieve impactful milestones that will serve the Richmond community for years to come.

(Continued -->)

LETTER FROM THE DIRECTOR

As Executive Director, one of my primary goals is to “actively enforce” the Rent Ordinance. Active enforcement is achieved through rent registration and tracking of the Maximum Allowable Rent level. Another key aspect of active enforcement is robust rent registration, outreach, and community education. Registering and tracking rent levels requires landlords to record all new tenancies and initial rent levels with the Rent Program. A law is only as strong as it is enforced. The key to strong enforcement of the Richmond Rent Ordinance is ensuring that landlords and tenants are informed about the maximum rent that may be charged. To this end, rent registration is key.

A 2012 Study prepared for the City of Los Angeles Rent Stabilization Program revealed that tenants in cities with rent registration and rent tracking are much less likely to be overcharged in rent than cities without rent registration/tracking. The study also found that in cities without rent registration/tracking, 27% of tenants were overcharged, whereas in cities with rent registration/tracking, only 5% of tenants were overcharged in rent. We have a long way to go before we reach that level of compliance, but we are taking the necessary steps to get there.

The Richmond Rent Program is also tasked with collecting and monitoring termination of tenancy and rent increase notices. This requirement supports active enforcement of the Rent Ordinance. All tenants who receive rent increase notices must also receive a Rent Program brochure from the Landlord and all tenants who are served notices of termination of tenancy receive an informational letter from the Rent Program about their rights under the Just Cause for eviction provisions of the Rent Ordinance. I believe that over time, once landlords and tenants are knowledgeable about their rights and responsibilities, many disputes will be prevented. Nevertheless, some landlord/tenant disputes are complex and can benefit from the assistance of mediation. One of the greatest opportunities presented by the Rent Program is the possibility of bringing tenants and landlords together in a safe space to mediate disputes and reduce conflict. In my previous role as a Program Manager for the City of Berkeley Rent Stabilization Board, one of my greatest accomplishments was the establishment of a successful informal and formal mediation program. I look forward to applying these practices in Richmond to empower tenants and landlords to know their rights and responsibilities and reach a common ground. I hope you find this report informative and enlightening.



ACKNOWLEDGEMENTS



The Rent Program would like to recognize the following City staff members and volunteers, who provided critical leadership, policy development, and administrative support to the launch and early development of the Richmond Rent Program.

In particular, the Rent Program would like to acknowledge the critical role played by staff in the City Manager's Office to successfully launch the Rent Program. Without their leadership and guidance, the Rent Program would not be what it is today.

RENT PROGRAM STAFF:

- Andrea Zuniga
- Brenda Ogutu
- Charles Oshinuga
- Cynthia Shaw
- Magaly Chavez
- Mariah Fairley
- Moises Serano
- Nicolas Traylor
- Paige Roosa
- Paul Cohen
- Philip Verma
- Ramona Howell
- Vickie Medina

CITY STAFF:

- Alex Walker-Griffen
- Bill Lindsay
- Coreyana Whatley
- David Padilla

CITY STAFF:

- Gabino Arredondo
- Miguel Flores
- Mike Uberti
- Randall Narron
- Saidy Brizuela
- Shané Johnson
- Shasa Curl
- Sherry Drobner
- Sofia Perez-Leon
- Sue Hartman
- Sue Kadlec
- Trina Jackson

VOLUNTEERS:

- Daniel Tu
- Jorge Morales Martinez
- Lynn Tu
- Brian Lewis
- Lynne Therriault

MISSION STATEMENT

The mission of the Rent Program is to strengthen the community by providing housing stability for Richmond residents. The Rent Program strives to ensure housing stability for Richmond residents by limiting rent increases and protecting tenants in good standing from unwarranted, arbitrary, discriminatory, or retaliatory evictions while providing Landlords with a fair return.

The primary objectives
of the Rent Program are:

- (1) To provide housing stability
for Tenants;
- (2) to encourage and maintain the
social, cultural, and economic diversity
the City of Richmond proudly
represents; and
- (3) to provide Landlords with a fair
return.

THE RICHMOND RENT ORDINANCE

PURPOSE

In November 2016, a majority of City of Richmond voters approved Ballot Measure L, establishing the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (“Rent Ordinance”) in Chapter 11.100 of the City’s Municipal Code.

The stated purpose of this Ordinance is to promote neighborhood and community stability, healthy housing, and affordability for renters in the City of Richmond by controlling excessive rent increases and arbitrary evictions to the greatest extent allowable under California law, while providing Landlords a fair and reasonable return.

THE RICHMOND RENT ORDINANCE

Richmond voters approve Ballot Measure L

In November 2016, a majority of City of Richmond voters approved Ballot Measure L, establishing the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (“Rent Ordinance”) in Chapter 11.100 of the City’s Municipal Code.

Multifamily properties built before 1995 are rent-controlled

For all multifamily properties (two or more dwelling units on one parcel), annual rent increases are limited to the change in the Consumer Price Index, one of the most widely used measures of inflation. The increase is set at 100% of the Consumer Price Index (typically 1 - 3% per year).

The Maximum Allowable Rent is equal to the rent paid on July 21, 2015 (or the first date the Tenant moved in) plus all annual rent increases.

Landlords and Tenants may petition the Rent Board for an individual adjustment in the Maximum Allowable Rent.

Just Cause for Eviction requirements apply to most rental units and tenants

Landlords may only terminate a tenancy, end a lease, or evict a tenant for one of eight “just causes,” such as failure to pay rent, nuisance/damaging the property, Withdrawal from the Rental Market (Ellis Act) and Owner Move-In. Depending on the applicable “Just Cause” for eviction, the Landlords may be required to provide the Tenant with a Relocation Payment, in accordance with the City’s Relocation Ordinance and Relocation Payment Fee Schedule.

THE RICHMOND RENT ORDINANCE

Landlords must file Rent Increase and Termination notices with the Rent Program

Landlords must file rent increase and termination of tenancy notices with the Rent Program within two business days after service on the tenant. Failure to do so may be asserted as a complete defense to an Unlawful Detainer (eviction) lawsuit.

Landlords must enroll all rental units and pay the rental housing fee

As required by the Rent Board regulation, landlords must enroll all Rental Units with the program. Online enrollment is accessible at richmondrent.org/enroll.

The Rent Program Department is designed to be a cost-recovery department, without financial assistance from the City's General Fund. The Department is funded by the Rental Housing Fee, which must be paid by all Richmond Landlords on an annual basis.

The Rent Board is the Rent Program's appointed governing body

The Rent Ordinance requires the appointment of a five-member Rent Board comprised of Richmond residents. No more than two members may own or manage property or act as realtors.

The Rent Board meets on the third Wednesday of each month to establish policy, receive comments from members of the public, and hear appeals to Rent Adjustment Petition decisions made by the Rent Program Hearing Examiner. Each year, the Rent Board approves a budget for the Rent Program Department and recommends the amount of the Rental Housing Fee to the City Council. The City Council approves the Rental Housing Fee.

A RENT PROGRAM IS BORN

The Rent Program Department

The Rent Program Department was established by the Rent Ordinance and is housed in the Community Services Building at Richmond City Hall. Refer to page 9 for more information.

Building a Strong Team

The Rent Program Department is staffed by eight full-time staff members, two Administrative Student Interns, and two Graduate Student Fellows. Refer to page 10 for more information.

Each Unit has a critical function

The Rent Program Department is organized into four main units: (1) a Management Unit, (2) Staff Attorney, (3) Public Information and Compliance Unit, and (4) Hearings Unit. Each unit performs critical functions. Refer to pages 11-12 for more information.

A budget to support our mission

The Rent program budget allows the department to effectively carry out its duties and functions. Refer to page 13 for more information.



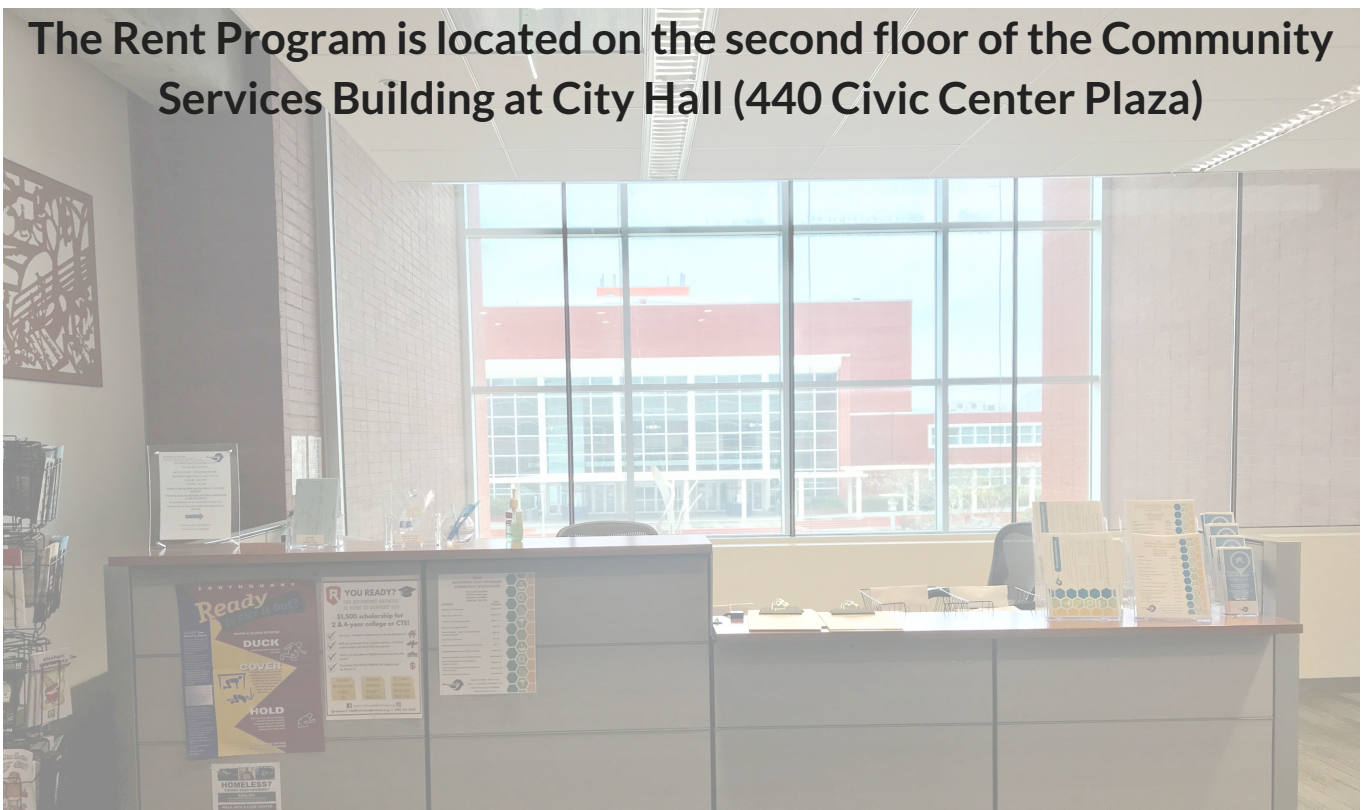
THE RENT PROGRAM DEPARTMENT

A law is only as strong as it is enforced. The Rent Program Department opened on January 3, 2017, to administer the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance.

The Rent Program Office is located on the second floor of the Community Services Building at Richmond City Hall. The Office is open Monday through Friday, and offers the following services to Richmond community members:

- Holistic counseling on the requirements of the Rent Ordinance and California state law, as well as Landlord and Tenant rights and responsibilities (note the Rent Program does not provide legal advice);
- Informal and formal mediation services to resolve disputes between Tenants and Landlords;
- Referrals to community services agencies, particularly for those in need of legal assistance;
- Online support and assistance with the completion of online Rent Program forms (such as enrollment and filing of rent increase and termination of tenancy notices); and
- Support throughout the Individual Rent Adjustment Petition process.

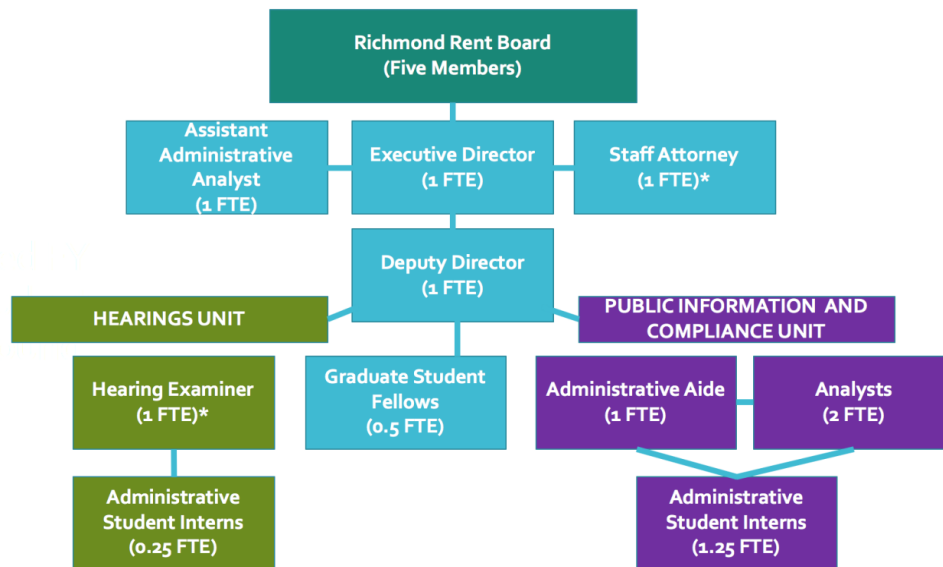
The Rent Program is located on the second floor of the Community Services Building at City Hall (440 Civic Center Plaza)



BUILDING A STRONG TEAM

Strong enforcement of the Rent Ordinance requires Public Information and Compliance and Hearings Units, led and supported by an Executive Management team. The following pages describe each unit's functions and duties.

CURRENT ORGANIZATIONAL CHART



*Positions hired in April 2018



EACH UNIT HAS CRITICAL FUNCTIONS

The Management Unit supports the Rent Board, oversees daily operations, and conducts policy research.

The Management Unit is responsible for policy research, which includes conducting surveys and studies to help guide administrative improvements and the formation of sound public policy. The Management Unit also monitors and works with other rent control jurisdictions to prepare for and inform legislation and the promulgation of regulations. The Management Unit oversees all personnel-related issues (hiring, training, discipline in conformance with MOU's, etc.). Management staff members also provide support to the Rent Board, coordinating Rent Board meeting agendas, and preparing minutes and reports for all Rent Board meetings. Additionally, the Management Unit conducts payroll, purchasing, finance and accounting and administrative workflow processes. Central to the Management Unit's duties are preparation, adoption, monitoring and reporting of the annual Rent Program budget.

The Staff Attorney provides critical support to the Rent Board and staff members.

The general duties of the Staff Attorney include representing the Board in litigation, advising the Director and the Rent Board on legal matters, reviewing and opining on decisions on appeal, coordinating responses to public record act requests, training Rent Program Services Analysts, providing counseling support and quality control, supervising investigations and lawsuits for non-compliance, reviewing contracts, and responding to legal challenges to the Ordinance and applicable regulations. The Staff Attorney is also responsible for drafting rent regulations.

EACH UNIT HAS CRITICAL FUNCTIONS

The Public Information and Compliance Unit educates community members through comprehensive counseling and outreach, and conduct registration and billing outreach

The Public Information and Compliance Unit is responsible for conducting outreach to tenants and landlords, which includes counseling landlords and tenants on rights and responsibilities under the Richmond Rent Ordinance and California law. Outreach also includes conducting monthly community educational workshops, developing and updating the “Guide to Rent Control in Richmond” and other informational handouts. The Unit is responsible for assisting landlords and tenants with the rent adjustment petition process, facilitating mediation sessions, billing and collecting registration fees and conducting registration/billing outreach.

The Hearings Unit oversees adjudication of all Rent Adjustment Petitions and supports legal aspects of the Rent Program.

The Hearings Unit includes a Hearing Examiner, who is responsible for conducting hearings and issuing decisions, including conducting settlement conferences, acting as a back-up resource in terms of interpretation of the Ordinance and Rent Board Regulations, assisting with drafting public information documents, developing and revising petition forms, and, along with other senior staff, conducting mediations.

A BUDGET TO SUPPORT OUR MISSION

Personnel Costs: \$978,953

- 1 Executive Director
- 1 Deputy Director
- 1 Staff Attorney
- 1 Hearing Examiner
- 1 Assistant Administrative Analyst
- 2 Rent Program Services Analysts
- 1 Administrative Aide
- 2 Administrative Student Interns
- 2 Graduate Student Fellows

Legal Costs: \$430,000

- Contract Legal Counsel
- Community Services Agency Contracts
- Additional Legal Counsel

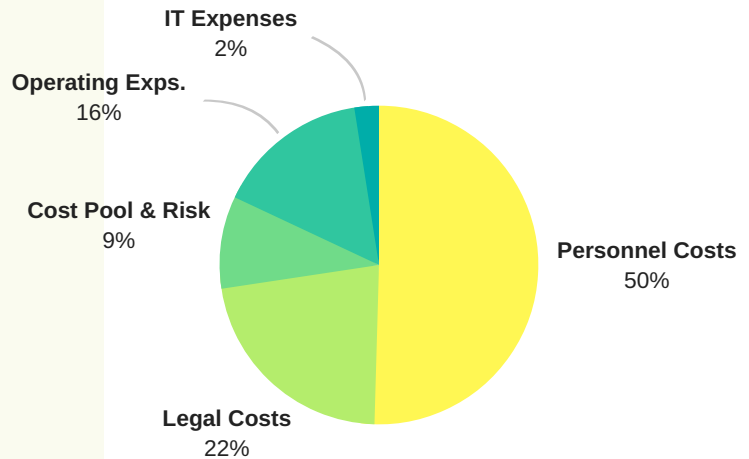
Other Operating Expenses: \$301,425

- Professional Services Contracts
- Postage and Mailing
- Copying and Duplicating
- Copy Machine Rental
- Office Supplies

Cost Pool/Risk Management: \$181,710

- General Liability
- Space at City Hall
- Worker's Compensation

IT Expenses: \$48,183



\$2.4 M

GRAND TOTAL
(including 17%
operating and 8% risk
reserves)
for FY 2017-18

RENT REGULATION BASICS

Unit Enrollment & Tenancy Registration

Landlords must enroll all Rental Units and register all Tenancies with the Rent Program.

Landlords must file notices with the Rent Program

Landlords are required to file all notices of rent increase, termination of tenancy, and change of terms of tenancy notices with the Rent Program within two business days after service on the Tenant. Landlords of rental units NOT covered by rent control (but subject to just cause for eviction requirements) are only required to file termination of tenancy and change in terms of tenancy notices with the Rent Program. Notices are reviewed by Rent Program staff members for compliance with the Ordinance.

The Maximum Allowable Rent is adjusted once per year

In June, the Rent Board adopts and announces the Annual General Adjustment (AGA). The AGA is effective on September 1. Staff members create a rent increase notice template each year to assist Landlords with calculation of the Maximum Allowable Rent.

Landlords and Tenants may petition the Rent Board for an Individual Rent Adjustment

Aside from the Annual General Adjustment rent increase, Landlords may petition the Rent Board for an increase in the Maximum Allowable rent if they are not receiving a fair return or due to an increase in space, services, or the number of occupants, among other factors. Tenants may petition the Rent Board for a decrease in the Maximum Allowable Rent due to a decrease in space or service, or because of habitability problems.

BUILDING AN ACCURATE RENTAL HOUSING DATABASE

MONITORING THE STATUS OF RENTAL HOUSING IS REQUIRED BY THE RENT ORDINANCE

Section 11.100.060(e) of the Rent Ordinance provides that the Rent Board shall report annually on the status of rental housing covered by the Ordinance. At a minimum, the report must include the number of notices served, the basis upon which they were served (e.g. rent increase, termination of tenancy, etc.), the amount of the rent increases, and the addresses for which the notices were served. The Rent Program office keeps a record of all these notices.

The following sections of this report focus on the number of rent increase and termination of tenancy notices in 2017, including pertinent information such as the total number of notices served, basis upon which they were served, and other relevant details. Unless otherwise specified, data extracts are as of December 26, 2016 through December 20, 2017.

CONSTRUCTING A DATABASE OF RENTAL UNITS IN THE CITY OF RICHMOND

To effectively enforce the Ordinance, Rent Program staff members compiled data from various sources, including the County Assessor's office, the City's Residential Rental Inspection program, and other City records.

Over the past six months, Rent Program staff members, with assistance from the IT Department, have refined the database of Rental Units in the City of Richmond, most notably through the completion of an exemption verification project of single family homes in the City to accurately identify units that are truly rented. Efforts are underway to retain additional resources to bring property owners into compliance.



UNITS REGULATED BY THE RENT PROGRAM DEPARTMENT

FULLY COVERED UNITS

9,558

Fully Covered Units are those subject to the Rent Control and Just Cause for Eviction provisions of the Ordinance. This includes all multi-unit residential rental units that received a certificate of occupancy prior to February 1, 1995, in accordance with the Costa-Hawkins Rental Housing Act (a California state law.)

PARTIALLY COVERED UNITS

10,460

Partially Covered Units are those exempt from the Rent Control provisions of the Ordinance but still subject to the Just Cause for Eviction requirements of the Ordinance. This includes properties exempt from Rent Control due to the Costa-Hawkins Rental Housing Act (single family homes, condominiums, and post 2/1/1995 construction), as well as Governmentally Subsidized Rental Units and Small Second Dwelling Units (also known as Accessory Dwelling Units.)

GOV SUBSIDIZED UNITS

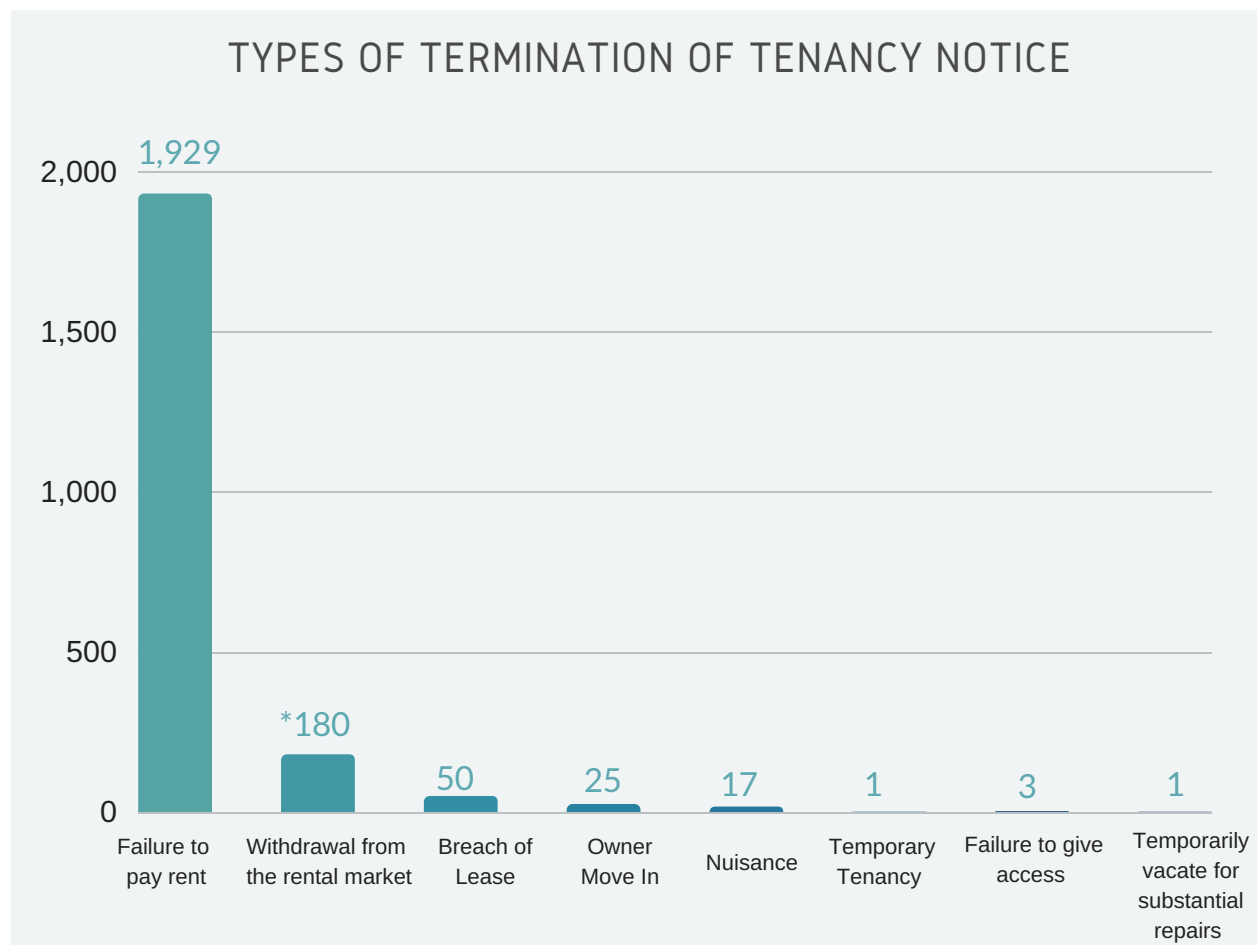
4,211

Governmentally Subsidized Rental Units are exempt from Rent Control because rent levels are already regulated by a governmental agency. These units are still subject to the Just Cause for Eviction requirements of the Rent Ordinance. These units include those where the tenant household has a Section 8 Housing Choice Voucher and the rent does not exceed the Payment Standard as published by the U.S. Department of Housing and Urban Development, units subsidized by the Project-Based Section 8 Program, units that are "rent restricted" in a Low Income Housing Tax Credit Program Project, and units subsidized by the Section 202 Supportive Housing for the Elderly Program.



TERMINATION OF TENANCY: BY THE NUMBERS

Between January 31, 2017, and December 20, 2017, approximately 2,206 termination of tenancy notices were filed with the Rent Board. The table below illustrates the number of each type of termination of tenancy notice filed with the Rent Board during this time period:

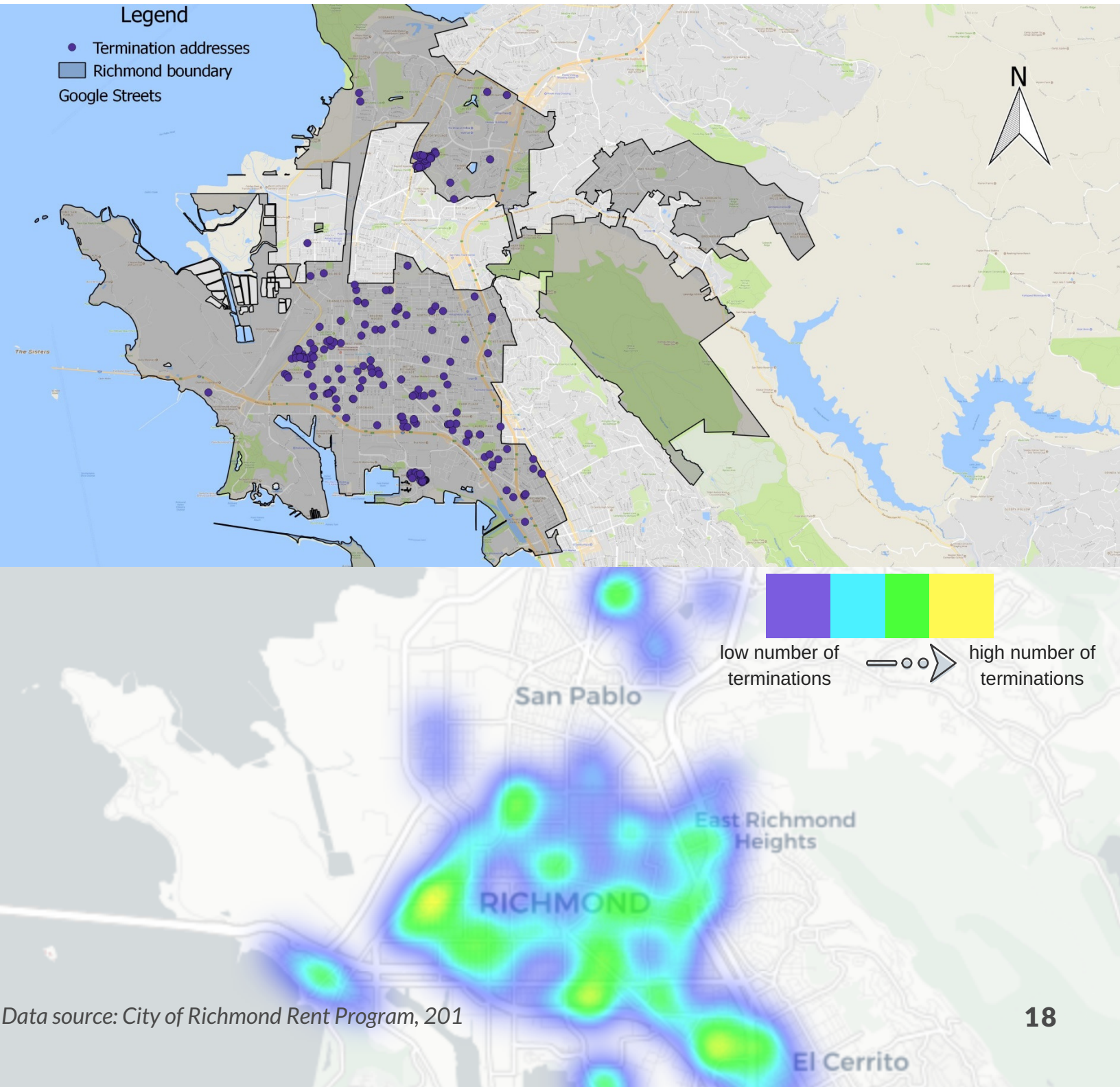


*The relatively high number of units withdrawn from the rental market is largely due to the sale of condominiums at the Cove in Marina Bay. There were approximately 97 units that were withdrawn from the rental market at the Cove and sold to homeowners.



~2,206

**RICHMOND HOUSEHOLDS WERE
SERVED WITH A TERMINATION OF
TENANCY NOTICE IN 2017.
APPROXIMATELY 88% WERE FOR
NONPAYMENT OF RENT.**



RENT INCREASES: BY THE NUMBERS

**Landlords can
apply the Annual
General
Adjustment rent
increase each
year**

Under the Richmond Rent Ordinance, Landlords have a right to the Annual General Adjustment (cost of living) rent increase. The Annual General Adjustment (AGA) is equal to 100% of the change in Community Price Index. In 2016, the AGA was 3.0% and in 2017, it was 3.4%. The Annual General Adjustment rent increase takes effect September 1 of each year.

**The average
rent increase
associated with
the 2016 AGA
was \$38**

Between December 27, 2016, and September 25, 2017, approximately 1,092 households were served a rent increase notice in accordance with the 2016 Annual General Adjustment of 3.0%. The average rent increase was \$37.

**The average
rent increase
associated with
the 2017 AGA
was \$47**

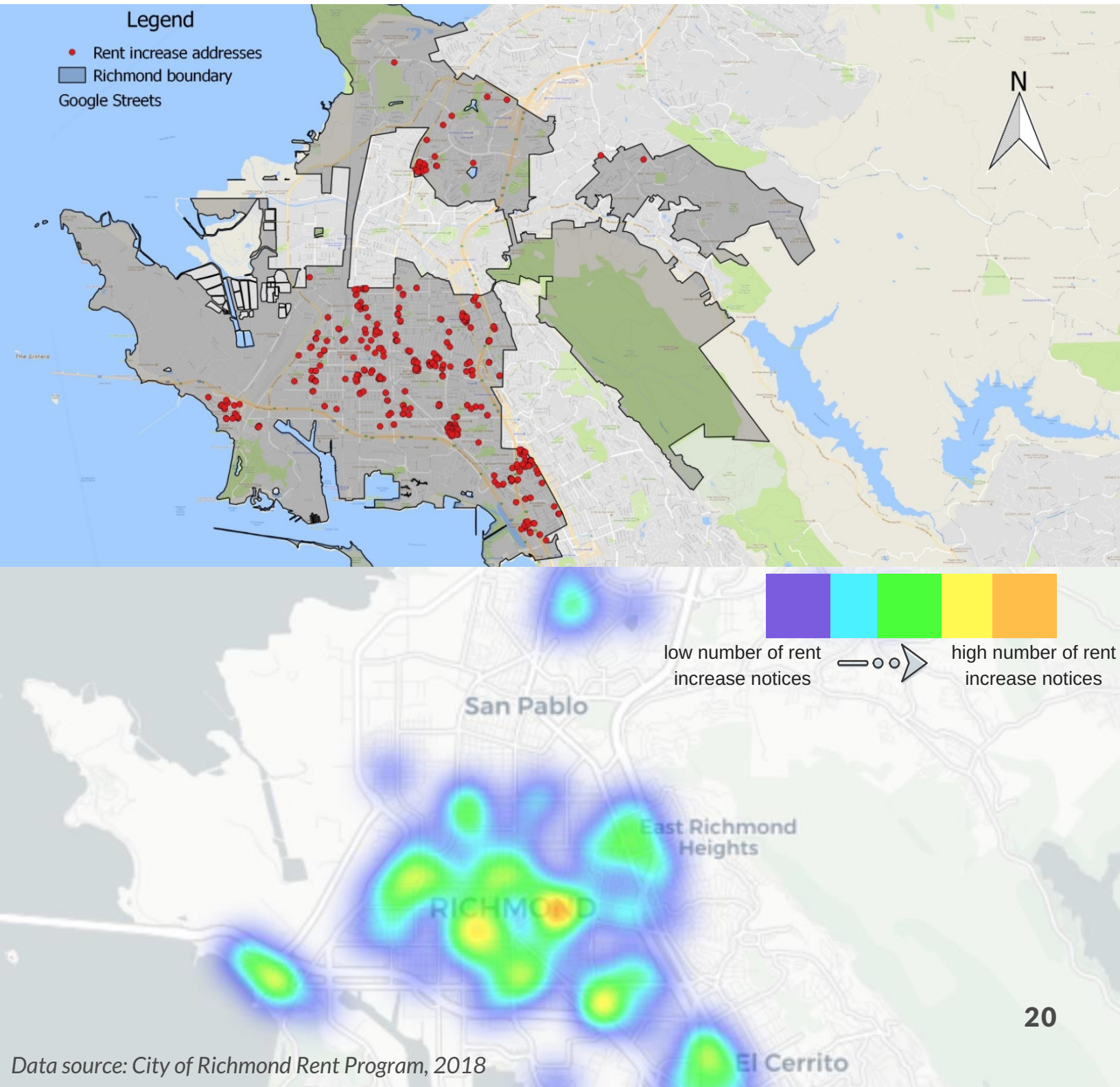
Between July 3, 2017, and May 6, 2018, approximately 2,568 rent-controlled households were served a rent increase notice in accordance with the 2017 Annual General Adjustment of 3.4% (could be combined with the 2016 AGA of 3.0% for qualifying tenancies.) The average rent increase was \$43.



~3,660

**RENT-CONTROLLED HOUSEHOLDS
RECEIVED A RENT INCREASE BETWEEN
JANUARY 2017 AND MAY 2018.**

**COLLECTIVELY, THESE INCREASES AMOUNT TO OVER
\$1.8 MILLION PAID BY TENANTS ANNUALLY.**

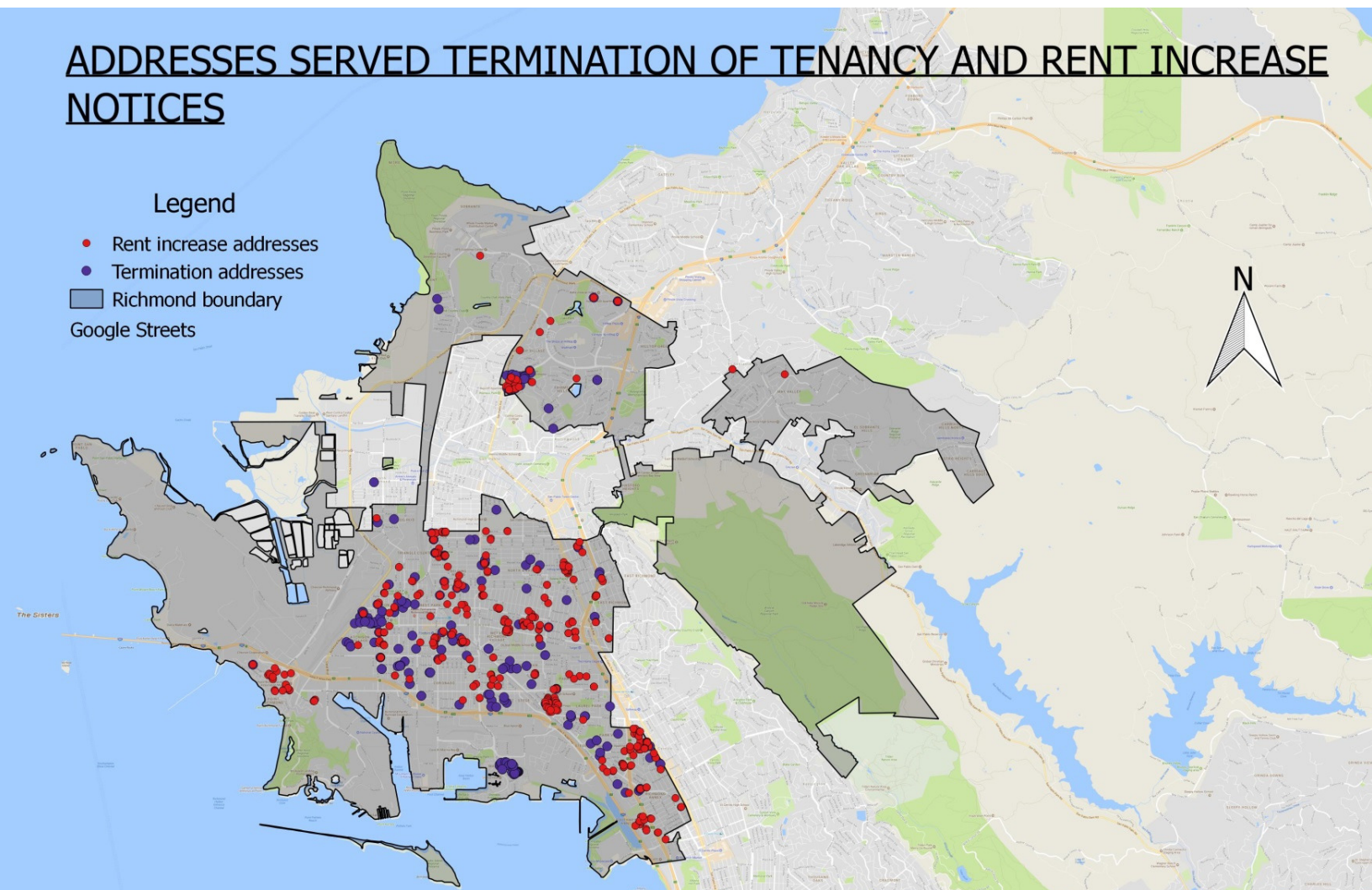


RENT INCREASE AND TERMINATION OF TENANCY NOTICES ARE SERVED THROUGHOUT THE CITY

ADDRESSES SERVED TERMINATION OF TENANCY AND RENT INCREASE NOTICES

Legend

- Rent increase addresses
- Termination addresses
- Richmond boundary
- Google Streets



ELEMENTS OF ACTIVE ENFORCEMENT

Active enforcement includes four critical elements:

Element #1: Tenancy Registration & Tracking the Maximum Allowable Rent

To ensure transparency of the Maximum Allowable Rent for each rent-controlled unit in the City, the Rent Program will maintain a database of current tenancies and the Maximum Allowable Rent for each tenancy.

Tenancy registration is expected to launch in 2018.

Element #2: Comprehensive Counseling

The Rent Program Department provides counseling to Landlords, Tenants, and community members on the requirements of the Rent Ordinance, as well related local and State laws, at the Rent Program office, as well as by phone and email. The Rent Program Department employs two Rent Program Services Analysts, who function as Housing Counselors.

Element #3: Extensive Outreach and Community Education

Rent Program staff members host monthly Community Workshops at City Hall, and communicate about upcoming events and meetings with over 1,600 subscribers to the Rent Program email list (listserv). Staff members also meet with stakeholder and community groups to discuss policy matters.

Element #4: An Active Rent Board

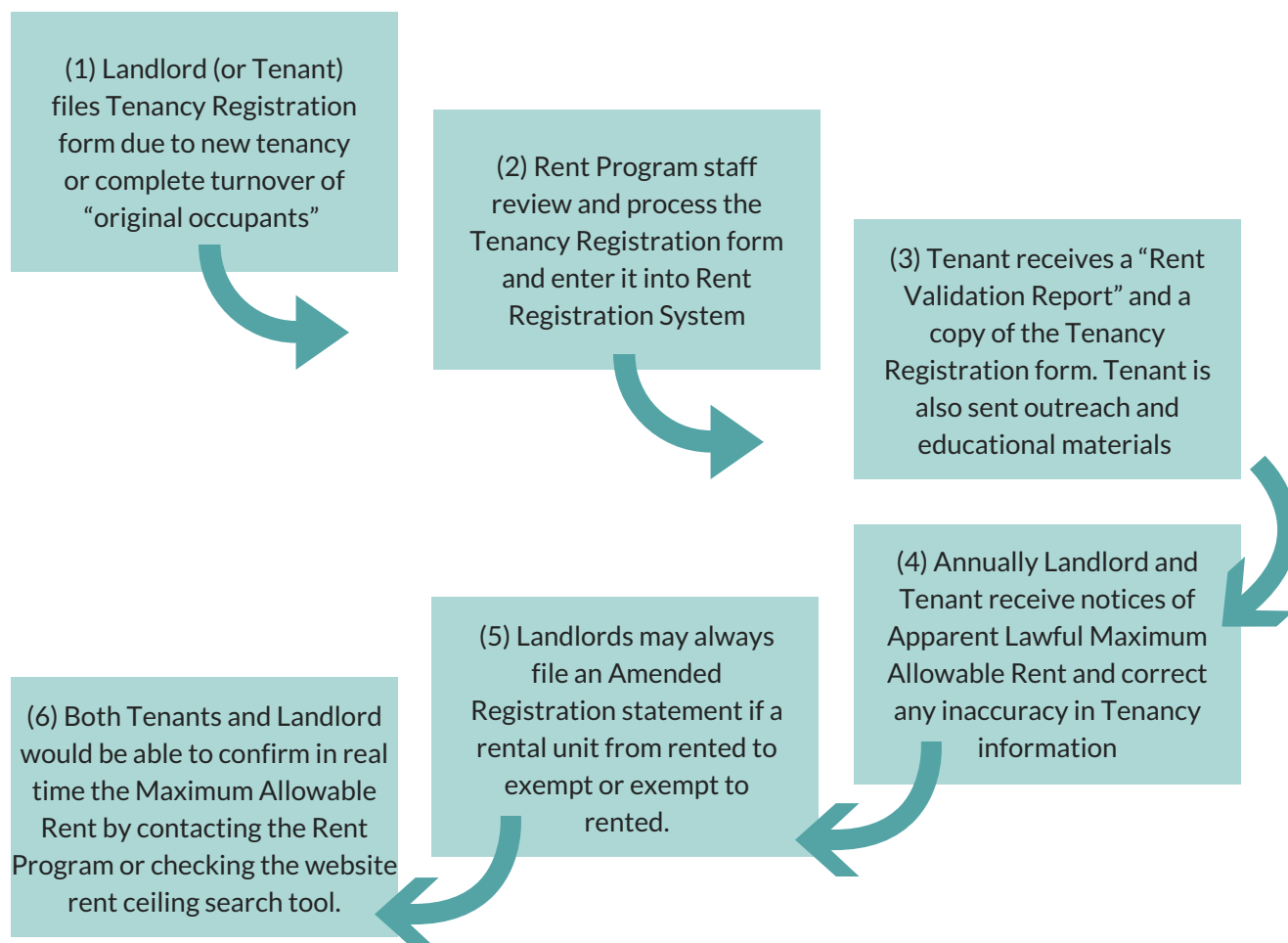
The Rent Board consists of five Richmond residents appointed by the Mayor with the concurrence of the City Council. Boardmembers volunteer their time to weigh in on critical policy and fiscal issues relevant to the Rent Program and Richmond residents. The Rent Board meets at least once per month. All meetings are open to the public.

ELEMENT #1: RENT REGISTRATION AND TRACKING OF THE MAXIMUM ALLOWABLE RENT

Since the inception of the Rent Program Department in January 2017, Landlords have been required to enroll all rental units with the Rent Program using the online form at richmondrent.org/enroll.

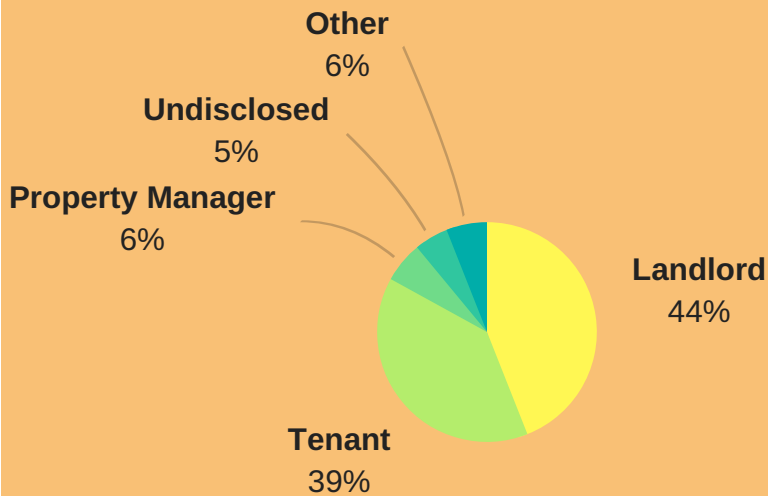
In 2018, staff members anticipate the launch of tenancy registration, which will allow the Department to track the rent levels associated with each rent-controlled tenancy in the City of Richmond.

PROPOSED RENT REGISTRATION PROCESS:



ELEMENT #2: COMPREHENSIVE COUNSELING

Who Calls the Rent Program Office?

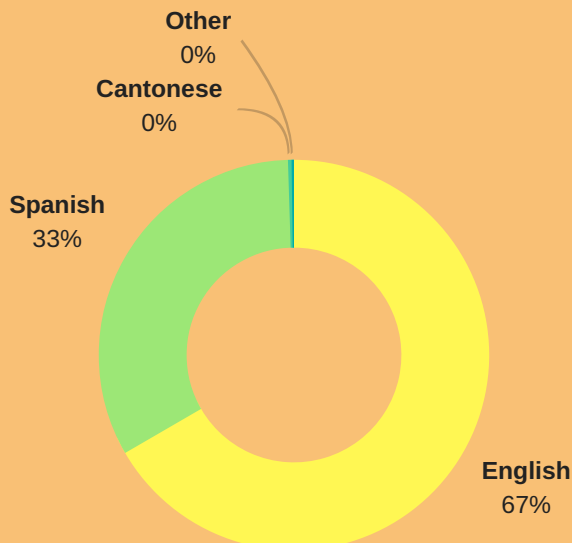


Source: City of Richmond, August 2017
n= 1,904

In Fiscal Year 2017-18, the Rent Program provided over 2,600 counseling sessions to a diverse group of residents and community members, including Tenants, Landlords, Property Managers, Attorneys, Realtors, and Process Servers.

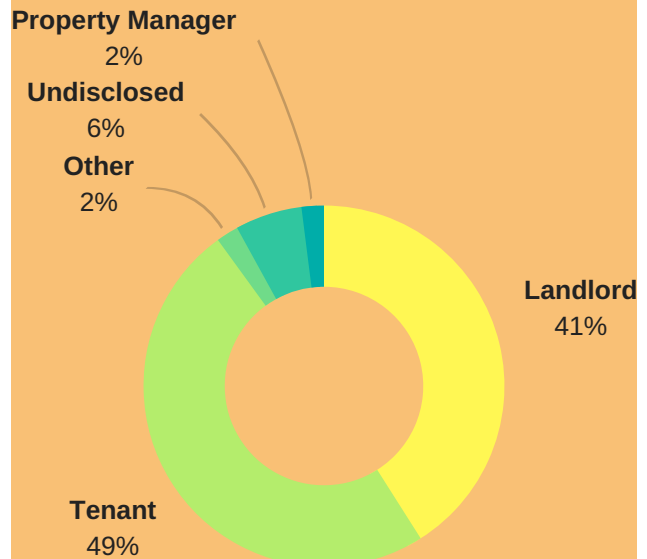
Approximately one-third of visitors to the Rent Program office prefer to receive counseling in Spanish.

Preferred Language of Individuals who visited Rent Program Office



Source: City of Richmond Rent Program, August 2017
n= 1,174

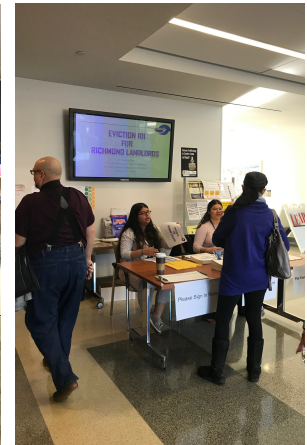
Who Visits the Rent Program Office?



Source: City of Richmond, August 2017
n= 1,259

ELEMENT #3: EXTENSIVE OUTREACH AND COMMUNITY EDUCATION

Community engagement, education, and outreach are critical to increasing compliance and community awareness of the requirements of the Rent Ordinance and related policies. Currently, the Rent Program has 1,600+ subscribers to the Rent Program email list. In addition to the development of the Rent Program website and Rent Program Brochure (in English and Spanish), in the first eight months of the Rent Program, interim staff hosted and attended several workshops, festivals, and events.



Tabling at Festivals/Events

- Cinco de Mayo (May 7, 2017)
- Juneteenth (June 17, 2017)
- National Night Out (August 1, 2017)

2018 COMMUNITY WORKSHOP CALENDAR

10:00 AM - 12:00 PM
City Council Chambers
440 Civic Center Plaza
Richmond, CA 94804

January 13: Landlord 101 in Richmond
February 17: Tenant 101 in Richmond
March 17: Evictions 101 (Landlord-Oriented)
April 21: Evictions 101 (Tenant-Oriented)
May 12: Security Deposits - Rights and Responsibilities (Landlord-Oriented)
June 9: Tenant 101 in Richmond
July 14: Realtor/Property Manager Workshop

August 18: Habitability Issues (Tenant-Oriented)
September 15: Habitability Issues (Landlord-Oriented)
October 20: Handling Difficult Tenant Situations
November 10: Handling Difficult Housemate Situations
December 8: Evictions 101 (Landlord-Oriented)

WELL-ATTENDED WORKSHOPS



The Rent Program held several large-format Community Education Workshops in Spring and Summer 2017, as well as computer support sessions. In December, staff members held two Community Workshops to solicit community feedback regarding standards for changes in the Maximum Allowable Rent. Events averaged 68 attendees each.

Richmond Rent Program Community Workshops

SETTING STANDARDS FOR CHANGES IN THE MAXIMUM RENT

Monday, December 4, 2017 6:00 PM - 7:30 PM City Council Chambers 440 Civic Center Plaza Richmond, CA 94804	Saturday, December 9, 2017 10:00 AM - 12:00 PM City Council Chambers 440 Civic Center Plaza Richmond, CA 94804
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All are invited to attend and provide feedback on topics such as:

- Rules and standards for increasing or decreasing rents for rent-controlled rental units
- How the Rent Board defines a "fair rate of return" on rental property investments
- Calculating rent reductions due to problems with the rental unit (pests, broken appliances, etc.)

Space is limited - RSVP today:
<https://rentprogram.eventbrite.com>



www.richmondrent.org
rent@ci.richmond.ca.us
510-620-6576

Talleres Comunitarios del Programa de Renta de la Ciudad de Richmond

ESTABLECIENDO NORMAS PARA CAMBIOS EN LA MÁXIMA RENTA

Lunes 4 de diciembre de 2017 6:00 PM - 7:30 PM Sala de Justicia del Concilio de la Ciudad 440 Civic Center Plaza Richmond, CA 94804	Sábado 9 de diciembre de 2017 10:00 AM - 12:00 PM Sala de Justicia del Concilio de la Ciudad 440 Civic Center Plaza Richmond, CA 94804
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Todos son invitados para asistir y proporcionar comentarios tales como:

- Reglas y normas para aumentar o disminuir rentas para unidades bajo control de rentas
- Como la Junta de Renta define una "tasa de retorno justa" en inversiones de propiedades de renta
- Calculando reducciones de renta debido a problemas con la unidad de renta (pestes, electrodomésticos defectuosos, etc.)

Espacio limitado - Confirme su asistencia hoy:
<https://rentprogram.eventbrite.com>



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510-620-6576

ELEMENT #4: AN ACTIVE RENT BOARD

THE RENT BOARD ESTABLISHES POLICY AND BUDGETARY PRIORITIES, HEARS APPEALS TO RENT ADJUSTMENT PETITION DECISIONS, AND ENSURES COMMUNITY CONCERNS ARE REFLECTED IN POLICY DECISIONS

The Rent Board consists of five Richmond residents who meet at least once per month to review, comment upon, and adopt regulations and an annual operating budget, among other activities.

In the future, once the Hearings Unit is fully operational, the Rent Board will hear and decide upon appeals of rent adjustment decisions made by the Rent Board's Hearing Examiner. Rent adjustment decisions include both increases in the Maximum Allowable Rent due to increases in space, services, or the number of occupants, or the Landlord's inability to achieve a fair return, as well as decreases in the Maximum Allowable Rent due to decreases in space, services, or habitability concerns. The Board may reverse, affirm, or remand the Hearing Examiner's decision.



LOOKING AHEAD

FISCAL YEAR 2018-19 GOALS

- Establish a robust rent registration and rent tracking system.
- Increase collection of the Rental Housing Fee through aggressive compliance efforts.
- Establish a fully operational hearings unit with online forms in multiple languages.
- Successfully train the Rent Program Services Analysts and other senior staff on how to conduct formal mediations.
- Publish the “Guide to Rent Control in Richmond” in multiple languages.
- Expand the use of innovative outreach tools: create informational/info-graphic educational videos, establish a social media presence, and conduct “targeted” outreach to problem properties
- Work collaboratively with other City departments to improve housing inspection options and strengthen affordable housing policy.
- Improve the Rent Program website and develop online registration of new tenancies.