



Rent Stabilization Board

RENT STABILIZATION BOARD
Regular Meeting Minutes
(Approved)

Maudelle Shirek Building
2134 Martin Luther King Jr. Way
Council Chambers, Second Floor
Broadcast Live on KPFB – 89.3 and BTV Cable Channel 33
Live Webcasting at www.cityofberkeley.info/rent

Monday, April 21, 2014
7:00 p.m.

1. **Roll call** – Chair Stephens called the meeting to order at 7:08 p.m.
Aimee Mueller called roll.
Commissioners present: Blake (arrived 7:23), Dodsworth (arrived 9:38), Harr, Hunt, Shelton,
Soto-Vigil, Townley, Webster (arrived 7:22), Stephens
Commissioners absent: None
Staff present: Brown, Franklin-Minor, Kelekian, Law, Mueller, Traylor, Wong
2. **Approval of Agenda** M/S/C (Harr/Townley) APPROVE AGENDA. Voice vote.
Carried: 6-0-0-3. ABSENT: Blake, Dodsworth, Webster.
3. **Public Forum** – There was one speaker: Dr. Stephen Barton spoke about the affordability crisis in the Berkeley and Bay Area housing markets. Dr. Barton stated that, since vacancy decontrol in 1999, there's been a major transfer of income from tenants to landlords; with real inflation-adjusted rents continuing to increase, tenants now pay \$100 million more a year, over and above the increases needed to keep up with inflation. As a result, the value of rental properties is up by over \$1 billion. He also clarified that, despite the apparent building boom in Berkeley, this new construction will add less than 1% per year to Berkeley's rental housing stock – and 90% of those new units are aimed at the high end of the market.
4. **Approval of the March 17th Regular Meeting minutes** M/S/C (Townley/Hunt) APPROVE MINUTES AS WRITTEN. Voice vote. Carried: 6-0-0-3. ABSENT: Blake, Dodsworth, Webster.
5. **Special Presentation: Budget Workshop by staff on the work and services of the Rent Stabilization Program**

The following staff members gave a joint presentation that provided a comprehensive overview of the work and services of the Rent Stabilization Program:

Jay Kelekian – Executive Director
Nicolas Traylor – Division Manager, Public Information & Registration Units
Moni T. Law – Housing Counselor
Matt Brown – Staff Attorney
Chanée Franklin-Minor – Staff Attorney
Aimee Mueller – Administrative Staff Assistant

During and after the presentation, the Executive Director and staff answered questions from the Board.

6. Action Items

a. From Board Members, Executive Director and Committees

- (1) Recommendation to amend Rent Board Regulation 701 [Security Deposits] and Regulation 702 [Payment of Interest on Security Deposits] – First Reading

M/S/C (Townley/Hunt) APPROVE THE PROPOSED AMENDMENTS TO REGULATION 701 AND REGULATION 702. *Friendly amendment by Blake:* CHANGE THE PROPOSED LANGUAGE FOR REGULATION 702 (LOCATED ON PAGE 8 OF ATTACHMENT 3) AS FOLLOWS: IN THE LAST PARAGRAPH OF 702 (A), ADD THE WORDS “or comparable” AFTER “H.15” SO THAT THE LAST SENTENCE OF THIS PARAGRAPH WOULD READ: “Should the Federal Reserve Board publish an H.15 or comparable rate in the future, the Board will amend this regulation to again use that rate to calculate tenants’ security deposit interest as mandated by B.M.C. Section 13.76.070.” Voice vote. Carried: 9-0-0-0.

- (2) Discussion and possible action regarding paperless agendas (Chair Stephens and Vice-Chair Harr)

M/S/C (Blake/Harr) GIVEN THAT THE RENT BOARD IS VERY INTERESTED IN TRANSITIONING TO A PAPERLESS FORMAT BY DECEMBER OF 2014, THE BOARD DIRECTS STAFF TO COORDINATE AND CONFIRM WITH THE I.T. DEPARTMENT, WITHIN THE NEXT MONTH, WHAT STEPS ARE NECESSARY TO DO THIS AND WHETHER THE I.T. DEPARTMENT CAN ACCOMMODATE OUR TIMELINE. Carried: 8-1-0-0. NO: Soto-Vigil.

- (3) Request to restore the 10% deduction from Commissioner Shelton’s stipend for her absence from the March 21, 2014 Budget & Personnel Committee meeting (Commissioner Shelton)

M/S/C (Soto-Vigil/Hunt) RESTORE THE 10% DEDUCTION FROM COMMISSIONER SHELTON’S STIPEND FOR HER ABSENCE FROM THE MARCH 21, 2014 BUDGET & PERSONNEL COMMITTEE MEETING. Voice vote. Carried: 9-0-0-0.

- (4) Proposal to approve staff recommendation on the following request for waiver of late registration penalties (Executive Director)

Ministerial Waivers

<u>Waiver No.</u>	<u>Property Address</u>
4330	2737 Garber Street
4338	3120 Mabel Street
4350	1821 Fairview Street
4355	1180 University Avenue
4363	3320 California Street

Discretionary Waivers

<u>Waiver No.</u>	<u>Property Address</u>
4327	2609 McGee Avenue
4342	1762 Franklin Street
4345	2221 6th Street
4346	1923 Ashby Avenue
4359	1425 Kains Avenue
4361	1540 Milvia Street
4362	1161 Grizzly Peak Blvd
4363	1411 Parker Street
4365	3031 Fulton Street

M/S/C (Blake/Harr) APPROVE THE STAFF RECOMMENDATIONS FOR ALL MINISTERIAL WAIVERS AND ALL DISCRETIONARY WAIVERS. Voice vote. Carried: 8-0-0-1. ABSENT: Soto-Vigil (stepped away)

7. Information and Announcements

Please Note: The Board may move Information Items to the Action Calendar.

a. Reports from Board Members/Staff

- (1) Update on the FY 2013/2014 Budget and plan for adopting the FY 2014/2015 Budget and Registration Fee (Executive Director and Budget & Personnel Committee)

The Board agreed to move this item to Action and made the following motion:

M/S/C (Hunt/Blake) SCHEDULE A SPECIAL MEETING OF THE RENT BOARD FOR MONDAY, JUNE 2, 2014 TO BE HELD AT 7:00 P.M. IN COUNCIL CHAMBERS PENDING CONFIRMATION THAT CHAMBERS ARE AVAILABLE FOR THAT DATE AND TIME. Roll call vote. YES: Blake, Harr, Hunt, Shelton, Townley, Webster; NO: None; ABSTAIN: Dodsworth, Stephens; ABSENT: Soto-Vigil. Carried: 6-0-2-1.

Following the action taken on Item 7.a.(1), the Board discussed Item 7.a.(5).

- (2) April 8, 2014 Measure Y Tracking Report (January 2011 – December 2013) to the Eviction/Section 8/Foreclosure Committee (Executive Director and Eviction/Section 8/Foreclosure Committee)
- (3) Updated Committee Assignments list (Chair Stephens)
- (4) Updated Commissioner Attendance Records for Q1 of 2014 (Executive Director)
- (5) Copy of revised Multi-Unit Housing Emergency Preparedness Program memo (Executive Director) THE BOARD AGREED TO MOVE THIS ITEM TO ACTION.

BY UNANIMOUS CONSENT, THE BOARD AGREED TO USE THE EXISTING VERSION OF THIS DOCUMENT (I.E. THE FIRST VERSION IN THE PACKET) THROUGH WEDNESDAY, APRIL 23. FOR ANY FUTURE COMMUNICATIONS AND MEETINGS, ACCEPT ALL OF THE PROPOSED CHANGES (IN THE SECOND VERSION IN THE PACKET) AND CHANGE ALL OCCURRENCES OF THE WORD "citizens" TO THE WORD "residents".

At this point, the Board moved to adjourn so none of the remaining Information Items were discussed.

- (6) Market Medians report for January 1999 – December 2013 (Executive Director)
- (7) Update on pending Ellis bill legislation: AB 2405 (Ammiano) and SB 1439 (Leno) (Executive Director)
- (8) Copy of communication to Assembly Member Daly concerning AB 2175 (Renters' tax credit) (Executive Director)
- (9) Copy of letter sent to the City of Richmond officials inviting them to attend the April Rent Board meeting (Commissioner Soto-Vigil)
- (10) April 7, 2014 SFChronicle.com and SFGate.com article by Carolyn Said titled, "S.F. gets tough on illegal rentals" (Commissioner Hunt)
- (11) April 8, 2014 Bay Area News Group article by Matt O'Brien titled, "Official raises health concern" (Commissioner Hunt)
- (12) April 10, 2014 Bay Area Reporter article by Seth Hemmelgarn titled, "In-law, Ellis Act fixes OK; Leno bill advances" (Commissioner Harr)
- (13) April 13, 2014 Los Angeles Times article by Andrew Khouri titled, "Evictions from rent-controlled units on the rise in L.A." (Chair Stephens)
- (14) April 15, 2014 SFGate article by Marisa Lagos titled, "S.F. Airbnb rules would pull short-term rentals from shadows" (Executive Director)

b. Updates and Announcements regarding Committee/Board Meetings

(1) Budget and Personnel

- a. March 20th agenda
- b. March 21st agenda
- c. April 17th agenda

(2) Outreach

- a. February 21st minutes
- b. March 21st agenda
- c. April 18th agenda

(3) IRA/AGA and Habitability

- a. October 18, 2013 minutes
- b. March 21st agenda

(4) Eviction/Section 8/Foreclosure

- a. March 4th minutes
- b. April 8th agenda

(5) Safe & Sustainable Housing

- a. March 13th minutes
- b. April 10th agenda

(6) Waivers Committee

- a. December 10, 2013 minutes
- b. April 11th agenda

(7) 4 x 4 City Council/RSB Housing Committee

- (8) Future Special Meetings – Special Meeting scheduled for Tuesday, April 22nd at 10:30 a.m. in the Rent Board Law Library (2001 Center Street, 2nd Floor)

c. Discussion of items for possible placement on future agenda

8. **Adjournment** M/S/C (Hunt/Townley) ADJOURN MEETING AT 10:54 P.M. Voice vote.
Carried: 6-0-0-3. ABSENT: Blake, Soto-Vigil, Webster.