Attachment 13 CITY OF UNION CITY AGENDA FOR THE MEETING OF THE RENT AND TENANT TASKFORCE MONDAY, DECEMBER 5, 2016 7:00 P.M.

RUGGIERI SENIOR CENTER, DINING ROOM 33997 ALVARADO-NILES ROAD UNION CITY, CALIFORNIA

I. ROLL CALL:

Duru Ahanotu, Abigail Andrade, Chris Cara, Timothy Conde, Remy Fortier, Annie He, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Anna Nunez, Ian Palavi, Marjorie Rocha, Tony Samara, Jamie Sessions, Chung Wu

II. APPROVAL OF MINUTES:

Minutes from the November 21, 2016 meeting

III. <u>UNFINISHED BUSINESS:</u>

A. Additional Information - Eviction/Unlawful Detainer Process Overview

IV. PRESENTATIONS:

A. Presentation on Small Group Discussion Results

V. PUBLIC COMMENTS:

(This is an opportunity for the public to speak. Each speaker will be granted up to 3 minutes to speak. This allotted time cannot be aggregated or passed on to another individual. In instances where more than five members of the public wish to address the Taskforce, the three minute time limit may be abbreviated at the discretion of the Moderator in order facilitate the business of the Taskforce.)

VI. TASKFORCE DISCUSSION:

A. Final Voting

VII. <u>ADJOURNMENT</u>:

CITY OF UNION CITY
MINUTES
FOR THE MEETING OF THE
RENT AND TENANT TASKFORCE
MONDAY, DECEMBER 5, 2016
7:00 P.M.
RUGGIERI SENIOR CENTER, DINING ROOM
33997 ALVARADO-NILES ROAD
UNION CITY, CALIFORNIA

I. ROLL CALL:

Present: Duru Ahanotu, Abigail Andrade, Chris Cara, Timothy Conde, Remy Fortier, Annie He, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Anna Nunez, Ian Palavi, Marjorie Rocha, Jamie Sessions, Chung Wu, and Mashael Majid (Alternate for Tony Samara).

Absent: Tony Samara

Staff: Joan Malloy, Economic and Community Development Director; Kris Kokotaylo, Deputy City Attorney; Alin Lancaster, Housing and Community Development Coordinator; Denisse Anzoatequi, Administrative Assistant

II. APPROVAL OF MINUTES:

The regular Taskforce minutes from the November 21, 2016 meeting were approved as submitted.

III. UNFINISHED BUSINESS:

Chunchi Ma sent Alin Lancaster emails stating his position against cancelling the December 19th meeting and his opposition to the inclusion of harassment protections in all three options. Mr. Ma requested that his emails be included in the meeting record (see Attachment 1).

A. Additional Information - Eviction/Unlawful Detainer Process Overview

Alin Lancaster, HCD Coordinator - gave a presentation on the eviction and unlawful detainer process.

Bill Mulgrew - asked if it was the plan to take the final vote that day stated concern over time constraints and requested a vote amongst the Taskforce members to hold a sixth meeting on December 19th.

Alin Lancaster, HCD Coordinator - explained the intention of this meeting was to get through the voting. She urged the Taskforce to consider going through the meeting before getting into a lengthy discussion to determine if another meeting was needed.

Duru Ahanotu - asked staff to clarify "criminal activity", and whether it would be based on convictions or accusations.

Marjorie Rocha - responded that if it was a case of domestic violence, there would not be a need to be a conviction.

Kris Kokotaylo, Deputy City Attorney - agreed.

Chung Wu - stated that it was not in the best interest to evict someone since the only way for a landlord to generate income was to keep the unit occupied. He then asked Chunchi Ma to talk about his experience in evicting a tenant.

Chunchi Ma - explained he previously had an eviction case that took months. He stated that as a landlord there was no incentive to kick out good tenants and it was difficult to kick out problem tenants. Mr. Ma added that he would like staff to provide data on the average time it takes to go through the eviction process by jurisdiction in Alameda County. Mr. Ma followed with an example of a tenant with minor children suspected of being affiliated with a gang that was evicted from one of his units; it was long process that took almost 6 months.

Chung Wu - asked if the eviction process is so simple, then why does it take so long.

Chunchi Ma – stated the judicial system in California typically leaned towards protecting tenants and mentioned having had tenants that did not pay rent for 6 months and that the tenants allowed cockroaches to infest the unit.

Abigail Andrade - stated her interest in getting back to the discussion.

Kris Kokotaylo, Deputy City Attorney - addressed Mr. Ma's earlier request for data on the average time it takes to go through the eviction process in Alameda County. Mr. Kokotaylo believed that no such data existed. Mr. Kokotaylo stated that staff has used an exorbitant amount of resources looking for data and it's inappropriate for individual members of the Taskforce to be making data requests. If the Taskforce, as a whole, wants data then the Taskforce can vote put it to a vote. Mr. Kokotaylo proceeded to ask the Taskforce if anyone wanted to make a motion.

Taskforce members did not make a motion.

Kris Kokotaylo, Deputy City Attorney - stated that staff would not look for this data.

Joan Malloy, ECD Director - reminded Taskforce members that anyone would still have to follow the same eviction process as mandated by the State of California. Just cause eviction protection just limits the reasons for why a landlord can evict a tenant.

Kris Kokotaylo, Deputy City Attorney - pointed out that as a city, Union City could not modify the State process.

Marjorie Rocha - added that the amount of time it takes to get through an eviction depends on the number of cases the court has before it. She has witnessed some unlawful detainer cases that were as short as a month.

Dorothy Jackson - stated that during her prior experience with evictions, she was advised to mediate in the hallways before even entering the court. She also stated that if an agreement could not be reached and the case went go to court, the court would give tenants extra time to relocate.

Chunchi Ma - mentioned a case he experienced when a judge wanted to settle three-times and could reach a compromise, which in turn lengthened the process.

Timothy Conde - inquired that if State law was to be followed for evictions, why would we have to say anything about it.

Kris Kokotaylo, Deputy City Attorney - responded that under current State law, landlords do not have to give tenants a reason for their notice to vacate and a just cause eviction ordinance means the landlord has to give a reason for the eviction. Just cause eviction protections are before the State unlawful detainer process kicks in.

Chunchi Ma - asked if just cause eviction protections would apply to all units including single family homes.

Alin Lancaster, HCD Coordinator - responded that as of right now, none of the options presented apply to single family homes. So a just cause eviction protection would only apply to multi-family (2+ unit) rentals.

IV. PRESENTATIONS:

A. Presentation on Small Group Discussion Results

Chunchi Ma - requested clarification on the cost to implement rent control, he suggested looking at other cities like East Palo Alto.

Alin Lancaster, HCD Coordinator - informed Mr. Ma that she would address that comment during the cost section in her presentation.

Chung Wu - cited a law firm in the greater Los Angeles area called Basta that are well known for their tactics of delaying and drawing out evictions. They do this to raise the costs for landlord to evict tenants. In the meantime, the tenant isn't paying the rent while the landlord has to pay the mortgage and legal fees. It's against a landlord's interest to evict a tenant unless the tenant is doing something seriously wrong.

Alin Lancaster, HCD Coordinator, gave a presentation on the Small Group Discussion Results.

Bill Mulgrew - voiced concerns that during the last meeting, the Taskforce was asked by staff if including harassment protection was desired and per the minutes there was no response, the response was interpreted as a positive response that would support harassment protection. Also adding, he may not have been paying attention, but if he had heard it at the time he would not have let it go; he stated he does not believe the Taskforce voted to approve harassment protection.

Joan Malloy, ECD Director - requested that the Taskforce refocus and review the options and then give the members of the public a chance to comment and feed into the process. The Taskforce will then go back and discuss each option and if there is a majority decision that wants to modify an option, that is fine.

Dorothy Jackson - remarked that she did not see an Option D, and there should be.

Alin Lancaster, HCD Coordinator - asked Dorothy to clarify if "Option D" meant to do nothing.

Dorothy Jackson - responded yes.

Chris Cara - asked Ms. Jackson "Why are you here, if you are trying to push for a no option. We're here to protect renters and that is the crisis at hand. To object to just cause evictions, and to participate in a renter Taskforce is disgusting. And it's an injustice to the people that are struggling right now."

Kris Kokotaylo, Deputy City Attorney - reminded Taskforce members they are allowed to make a motion to modify an option. If there was a vote to modify, it could include an option to do nothing.

Joan Malloy, ECD Director- reminded the Taskforce to not insult fellow Taskforce members.

Alin Lancaster, HCD Coordinator, continued the presentation on the Small Group Discussion Results.

Annie He – requested a review of Harassment Protections

Alin Lancaster, HCD Coordinator - responded that on slide 33, in the meeting 4 packet, lists the current State and federal laws that protect tenants from discrimination, retaliatory evictions, and unit habitability. Alin then reviewed the types of harassment that are not addressed by current State or federal laws.

Chunchi Ma - asked why these laws were so one-sided; there is mention of the tenants being harassed but not the landlords. He further added that he has personally been harassed and threatened by tenants that he has evicted.

Chris Cara - responded that the difference is that landlords are in the position of power.

Chunchi Ma - added that within the California system, sometimes landlords are scared of tenants because some tenants have nothing to lose.

Abigail Andrade - responded the entire reason why this Taskforce was created is because there is a crisis going on in the community and tenants are suffering. The tenants need to be at the center of every conversation and the landlords are not, they are talking about themselves. If a landlord feels threatened there is a system where they can go and let folks know that they feel scared, but right now we're talking about tenant rights.

Chung Wu - addressed Joan Malloy and requested the conversation be carried in the discussion in a respectful manner and that it was important for each member to take their turn.

Joan Malloy, ECD Director - agreed but also urged members to keep comments on topic.

Bill Mulgrew - suggested reviewing the Taskforce Charter and the purpose of the Taskforce.

Abigail Andrade - asked members why they were here, if they we're unsure of the purpose.

Bill Mulgrew - proceeded to read the purpose of the Taskforce.

Alin Lancaster, HCD Coordinator, continued the presentation on the Small Group Discussion Results.

Alin Lancaster, HCD Coordinator – addressed Chunchi Ma's previous comment about looking at East Palo Alto's budget. Ms. Lancaster noted that East Palo Alto has rent control and that their annual budget is about \$400,000 per year. East Palo Alto is relatively similar in size to Union City in terms of the number of rent control eligible units. In regards to Mr. Ma's comments about Berkeley's budget, they have about 27,000 rent control eligible units, which is 10 times larger than Union City. So Berkeley is going to have a much larger budget. Ms. Lancaster also noted that the costs of Options A and B are very rough estimates as the cost of a third party mediator is really unknown at this point.

Chung Wu – stated that one form of harassments may be refusal to accept rent. He asked that if the landlord goes to the court and says that the tenant did not pay but in fact the tenant did pay, then that be considered perjury if the case went to trial?

Kris Kokotaylo, Deputy City Attorney - responded yes, if they went to trial.

Chung Wu - asked if a property owner threatens a tenant with force, are there other criminal laws that would cause the landlord to be fined?

Kris Kokotaylo, Deputy City Attorney - responded that if a landlord threatens to hit a tenant, then the tenant should call the police.

Chung Wu - further clarified that there are all kinds of laws that actually prevent bad behavior.

Kris Kokotaylo, Deputy City Attorney - responded that yes, there are quite a few.

Chung Wu - also asked if landlord refuses to provide repairs to a tenant, then that is another form of harassment.

Kris Kokotaylo, Deputy City Attorney - agreed.

Chung Wu - asked what is the definition of "failure to make repairs"

Alin Lancaster, HCD Coordinator - responded that laws regarding unit habitability were included in the Taskforce's meeting 4 packet.

Chung Wu - cited a Los Angeles-based law firm and stated that there is no straight legal definition. There is still a lot open to interpretation as to what is considered habitable and uninhabitable, for example a dead switch? Under his definition it could be considered uninhabitable.

Marjorie Rocha - asked Chung to clarify under whose definition

Kris Kokotaylo, Deputy City Attorney - also requested to Chung to clarify under whose definition

Chung Wu – stated that according a lawyer named Ken Carlson.

Kris Kokotaylo, Deputy City Attorney - responded that like any court case, you'd have to look at the individual facts and apply those to what the law says.

Chung Wu - added this is where it gets murky, a tenant could deliberately damage something and claim that the unit is uninhabitable.

Kris Kokotaylo, Deputy City Attorney – stated that, yes, but a tenant could do that now without harassment protections. Under the warranty of habitability the tenant is not required to pay rent if it's determined not habitable.

Chung Wu - responded that it can happen now but the tenant is deliberately doing it. The landlord could still be accused of harassment, until it's proven in court.

Kris Kokotaylo, Deputy City Attorney - clarified that the ordinance is just another layer of protection; it's not going to change the existing standard of habitability.

Chung Wu -added that this would not change the standard for habitability but it would make it easier for tenants to claim that there is harassment.

Kris Kokotaylo, Deputy City Attorney - responded that in some instances that could be true.

Chunchi Ma –restated his example of a tenant in which they had two sons in a gang. Without a police record he has no case if they continue to pay the rent under a just cause eviction ordinance since there's a lack of physical evidence.

Kris Kokotaylo, Deputy City Attorney - responded that the just cause eviction ordinance is typically set up so that a landlord has to provide a reason as part of the notice of vacate.

Chunchi Ma - asked again about physical evidence

Kris Kokotaylo, Deputy City Attorney – if there was police activity he understood you couldn't have the police report involving a minor. But the Police Department might be able to say yes, there was illegal activity at this unit without providing a copy of the report.

Chunchi Ma - responded the Police would not be able to say it on the record.

Kris Kokotaylo, Deputy City Attorney - confirmed that they could.

Chunchi Ma - added that if he was to go to court, he would lose because he had no physical evidence.

Kris Kokotaylo, Deputy City Attorney - responded that he didn't know if that was necessarily true.

Chunchi Ma - replied yes it is.

Kris Kokotaylo, Deputy City Attorney - explained to Mr. Ma that he would not argue with him and was just explaining how a just cause eviction ordinance would work.

Chunchi Ma - added that just cause evictions make it much harder to evict tenants. He gave an example of a tenant he has had who they suspected of smoking marijuana. He gave the tenant 24 hour notice to enter the unit but when he actually entered the unit there was no trace. So unless they don't pay rent, they couldn't evict them.

Remy Fortier- suggested that because of all the difficulties the landlords were having with their tenants and they could not handle the burden of being a landlord then perhaps they could make a better investment choice. She also requested the Taskforce moved on.

Duru Ahanotu - requested more clarification on what constituted as evidence, and what was considered standard evidence.

Kris Kokotaylo, Deputy City Attorney — under existing State law a landlord can give a tenant a 3-day notice for a variety of reasons such as failure to pay rent or domestic violence and with a 3-day notice a landlord is already required to give a reason for the notice. Typically, the way a just cause ordinance is structured is that the landlord has to put a reason in their 30 day or 60 day notice to vacate. If the tenant disagrees then you would go through the unlawful detainer process. The burden of proof would be the same burden of proof that exists under existing state law. So if it's difficult to evict someone under existing state law, then it's going to be just as difficult with just-cause eviction protections. The difference being that when you provide that 30-day notice or that 60-day notice you have to provide a reason.

Chunchi Ma - stated that currently if he gives a tenant a 60-day notice, he doesn't have to give them a reason. Now with just cause he would need to provide evidence of why he was terminating their tenancy.

Kris Kokotaylo, Deputy City Attorney - reminded Mr. Ma that he did not have to provide evidence; he only had to provide a reason. If the tenants did not leave, they would go into an unlawful detainment process and go to trial.

Mashael Majid - expressed concerns that the Taskforce is debating unique cases and circumstances versus discussing and agreeing on broader frameworks. She also made note that the discussion should be centered on the tenant's struggle. She would like to understand what are the specific points of contention with rent stabilization? If this Taskforce is truly about the tenant's struggle then rent stabilization is a valid policy solution. She asked if the issue was with a fair return on investment? What is the issue? She wanted to know more beyond specific situations.

Joan Malloy, ECD Director – stated that rent stabilization is one of the three options that came out of the Taskforce's discussion. She also clarified that there are diverse opinions and inferred that Mr. Ma is trying to express his frustrations and concerns over issues that may arise out of just cause evictions or harassment protections.

V. PUBLIC COMMENTS:

- 1. Lin Nay (Union City, CA): asked all members of the Taskforce to be patient. He reminded all the landlords that they at one point were tenants, and that they understand the tenants concerns. Mr. Nay expressed that all tenants should strive to be a home owner and that landlords may not be living in the most desirable lives either. He ended with saying that they lived in a free country.
- 2. Daniel Lee (Daly City, CA): stated that no landlord ever wants to evict tenants, they loved their tenants. He addressed concerns that Option C and just cause eviction protections could cause tenants and landlords to become enemies. He shared a personal experience of a resident

deliberately loosening a thermostat and reporting it to the building department. He also shared his incapability to evict five tenants that were selling drugs.

- 3. Bill Wu (San Jose, CA): stated a home is the most valuable asset in the American Family. For middle class families, a good way to build assets and family wealth is through owning a house. He added when we impose the rent review and the just cause eviction this will make the tenants have a delusion that they will enjoy very low rent for their whole life. But in the end they will approach old age, they would not own their home. He also stated that landlords do not control the costs of some things such as property tax. He added that America is a great country and this country respect free market and private property, respects hard work to achieve American dreams. These founding principles are what attracted Mr. Wu from China and they are the principles that are cherished by all here, including renters.
- 4. Dan Pan: stated that she would prefer to be called a housing provider instead of a landlord, because they are providing a service. Tenants are our customers. Ms. Pan also added that she strongly agreed with some members of the Taskforce that said the housing providers needed protection.
- 5. David Stark, Public Affairs Director for the Bay East Association of Realtors (Pleasanton, CA): encouraged the Taskforce to ask staff to do further analysis as to what impact that per unit fee could have on rents. He addressed tenant advocates that are very concerned about the tenants, that they would need to dig into this to see what are the intended or unattended consequences of the administrative fees that are being passed on to the property owners. He urged members to do their homework and have a bit more consideration.
- 6. Ji Song (Pleasanton, CA): recommended to all a book called, "Forty Centuries of Wage and Price Control".
- 7. Maria Ramirez (Union City, CA): stated she understood landlord concerns and hoped some of their issues were addressed but requested that they focus on the issue of housing. Displaced people in the area are not drug addicts but families who cannot afford to pay rent. Tenants will not be able to afford to buy homes if their wages are \$12-\$14 an hour. These families are working hard, working two jobs, trying to raise their families, and trying to be part of the community, they need affordable housing. Ms. Ramirez explained this was not only an issue in Decoto but all over the United States. We need rent control.
- 8. Jaime Patiño, Chairman of the Human Relations Commission (Union City, CA): stated he was very concerned with the tone and urged the Taskforce members to cooperate and see each other perspectives. He stated that doing nothing was not an option and that the Taskforce needs to come up with something. Mr. Patiño added that if the Taskforce was not able to come up with a solution then he is prepared to bring these options before the Human Relations Commission in January.

VI. TASKFORCE DISCUSSION:

A. Final Voting

Annie He- asked if an option was to be adopted, then would just cause eviction override State law.

Kris Kokotaylo, Deputy City Attorney - responded that it would not be overriding it but under State law.

Chunchi Ma - stated that while the terms seemed simple, they could potentially be challenged in court.

Kris Kokotaylo, Deputy City Attorney - responded a way that a landlord could be challenged in court would be if a tenant is given 30-days to vacate and when the term expired they didn't vacate, you would have to go into the unlawful detainer process which could result in a trial.

Annie He - requested clarification on the interconnectedness of just cause evictions, harassment protections, going to court, and the roles of city mediators.

Kris Kokotaylo, Deputy City Attorney - clarified that they are all separate issues.

Alin Lancaster, HCD Coordinator - stated that harassment protection came out of cities that had both rent control and just cause evictions. Landlords who wouldn't be able to raise rents or evict tenants without cause would then harass tenants to get them to move out.

Chung Wu - asked if the creation of rent control caused bad behavior.

Remy Fortier - stated her concern that the conversation of "just cause evictions" was going in a direction that was unproductive. She expressed concern over landlords who were evicting tenants to make more money, but she also cared about landlords and investors who want to build apartments to have more housing. She encouraged Taskforce members to come up with framework that would be moderate. She felt Options B and C were far apart and Option C should not be tied with CPI and felt that a more generous cap, perhaps at 10%, should be implemented.

(There was an outburst from the public, who began speaking out of turn).

Joan Malloy, ECD Director - reminded the public that the conversation was to be kept civil and that the public comment period had ended, and that the discussion was with the Taskforce members, now.

Kris Kokotaylo, Deputy City Attorney - warned members of the public that if there were continued outbursts and obscenities, the meeting would be cancelled immediately.

Joan Malloy, ECD Director - requested the Taskforce return focus to Option A.

Ian Palavi - urged both tenants and landlords to get in perspective, he did not understand why landlords would oppose just cause evictions when he believed there were clear instances for when a tenant could be evicted such as violating their lease or participating in illegal activities.

Chung Wu - suggested that he and many of the Taskforce members that he spoke to, could be confused by the options.

Bill Mulgrew – made a motion to vote on Option A, as it was presented by staff.

Dorothy Jackson – seconded the motion

Chung Wu- asked members of the Taskforce if they felt comfortable and fully understood what was on the table and perhaps having a motion to work out some more options that could be more acceptable.

Joan Malloy, ECD Director - reminded member that there was already a motion made per Mr. Mulgrew and Ms. Jackson to vote on option A as it was presented by staff.

Duru Ahanotu- asked if it was possible to vote for all three options is there was support.

Joan Malloy, ECD Director - responded yes

Tim Mulgrew and Remy Fortier- asked if they could make a motion to modify an option.

Kris Kokotaylo, Deputy City Attorney – responded yes

Mashael Majid- requested clarification to know whether the Taskforce was voting on framework or specifics.

Joan Malloy, ECD Director - responded that they would be voting on the framework as laid out by Ms. Lancaster for Option A.

Mashael Majid- asked if we would have an opportunity to discuss the example of Fremont's program.

Alin Lancaster, HCD Coordinator - stated that the Taskforce reviewed Fremont's program at the previous meeting.

Alin Lancaster, HCD Coordinator - also reminded the Taskforce members that staff would be reporting on all the options not just the option that received the most votes.

Chunchi Ma – made a substitute motion to modify Option A by removing harassment protections.

Chung Wu – seconded Mr. Ma's motion

OPTION A (modified) – harassment protections removed

AYES (6) – Annie He, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Jamie Sessions, Chung Wu NOES (7) – Duru Ahanotu, Abigail Andrade, Chris Cara, Tim Conde, Remy Fortier, Mashael Majid, Ian Palavi

ABSENT (1) - Tony Samara

ABSTAIN (2) - Anna Nunez, Marjorie Rocha

Kris Kokotaylo, Deputy City Attorney – stated that the substitute motion did not pass so we will now vote on the original motion

OPTION A (as it was initially presented by staff)

AYES (7) – Annie He, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Anna Nunez, Jamie Sessions, Chung Wu

NOES (7) – Duru Ahanotu, Abigail Andrade, Chris Cara, Tim Conde, Remy Fortier, Mashael Majid, Ian Palavi

ABSENT (1) – Tony Samara

ABSTAIN (1) - Marjorie Rocha

Tim Conde – made a motion to vote on Option A with a modification that single family units be eligible for tenant/landlord mediation.

Chung Wu – seconded the motion

OPTION A (modified) – all rental units eligible for tenant/landlord mediation

AYES (7) – Tim Conde, Annie He, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Jamie Sessions, Chung Wu

NOES (7) – Duru Ahanotu, Abigail Andrade, Chris Cara, Remy Fortier, Mashael Majid, Anna Nunez, Ian Palavi

ABSENT (1) - Tony Samara

ABSTAIN (1) - Marjorie Rocha

Dorothy Jackson - asked staff if the Taskforce had to agree on a single option.

Joan Malloy, ECD Director - responded they did not have to but staff was looking for consensus.

Alin Lancaster, HCD Coordinator – reviewed Option B

Remy Fortier - requested clarification regarding the third party mediator's criteria, because of the ambiguity with just cause evictions.

Alin Lancaster, HCD Coordinator - clarified that a mediator's role would be mediating rent increases.

Remy Fortier- addressed concerns on what criteria will be used by the mediator to base their decisions on.

Kris Kokotaylo, Deputy City Attorney - stated that the City of Alameda is an example of binding mediation however their program is still being implemented.

Alin Lancaster, HCD Coordinator - added she currently did not how often Alameda will have cases that require binding recommendations.

Marjorie Rocha - also stated that the mediator would sit down in person with both parties. The mediator does not make any decisions; their role is to only keep order. It's up to the two parties to come to an agreement. Mediation is not litigation or arbitration, where a 3rd party makes the decision.

Remy Fortier – asked what happens if the two parties disagreed.

Marjorie Rocha – stated that if an agreement is not reached then it is out of the mediator's hands. The mediator will work with the parties until there is an agreement or an impasse.

Duru Ahanotu - asked what the option was in case of an impasse.

Alin Lancaster, HCD Coordinator - stated that Alameda has a Rental Review Advisory Committee and ultimately if there is no agreement between tenant and landlords then I believe that committee makes the final recommendation.

Joan Malloy, ECD Director - added the mediator, whether it is a board or a person, would make the final decision.

Kris Kokotaylo, Deputy City Attorney - stated an ordinance typically includes a list of factors to consider when making a binding recommendation.

Chung Wu – what you described is more like arbitration.

Kris Kokotaylo, Deputy City Attorney - responded yes you could call it binding arbitration.

Chunchi Ma - stated that he had missed the last meeting and was concerned how just cause evictions were added to Option B.

Alin Lancaster, HCD Coordinator – responded just cause eviction protections were added to Option B during meeting 4. The reason behind it being that binding mediation in a sense is a form of rent control because rent increase recommendations are binding. So just cause eviction protections were added to Option B to prevent landlords from evicting tenants for the purpose of raising rents.

Chung Wu - stated that at some point even Option A is binding as the tenant and landlord sign an agreement, if they can agree on a certain rent increase.

Alin Lancaster, HCD Coordinator - stated the landlord is not required to come to an agreement with the tenant under Option A. The landlords are encouraged and a lot is done to get the tenant and the landlord to come to an agreement but ultimately the landlord doesn't have to agree.

Chung Wu- stated he thought Option B could facilitate an impasse.

Alin Lancaster, HCD Coordinator - clarified that in Option A the landlord would have to participate in the process but ultimately they are not required to come to an agreement with a tenant.

Chung Wu – stated which is the same as Option B

Joan Malloy, ECD Director – added whereas Option B would be binding.

Alin Lancaster, HCD Coordinator – stated with Option B if a landlord does not come to an agreement with the tenant then the third party mediator or the board would make the recommendation and that recommendation would be final.

Joan Malloy, ECD Director - notified Taskforce members and staff of the time, and stated that the meeting would end by 9 p.m. unless there was a super majority vote to continue.

Kris Kokotaylo, Deputy City Attorney – stated that the Taskforce meetings must end at 9 pm unless a supermajority voted to continue the meeting.

Alin Lancaster, HCD Coordinator – reminded the Taskforce that only one Taskforce member had an appointed alternate. If another meeting was held and they were not in attendance, they could not vote, with the exception of teleconferencing.

Voting to extend meeting time:

AYES (9) - Duru Ahanotu, Abigail Andrade, Chris Cara, Tim Conde, Remy Fortier, Mashael Majid, Anna Nunez, Ian Palavi, Marjorie Rocha

NOES (6) - Annie He, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Jamie Sessions, Chung Wu

ABSENT (1) - Tony Samara

ABSTAIN (0)

Joan Malloy, ECD Director – concluded the meeting as there was not a supermajority vote to continue the meeting.

VII. ADJOURNMENT:

The meeting was adjourned at 9:10 p.m.

Alin Lancaster

From:	Chunchi Ma <3machunchi@gmail.com>
Sent:	Thursday, December 01, 2016 6:23 PM
To:	Alin Lancaster
Cc:	Tony Acosta; Joan Malloy; Kris Kokotaylo
Subject:	Re: safety program
Follow Up Flag: Flag Status:	Follow up Completed
Hi Alin,	
-	since I just returned from oversea trip a few days ago, really need more time to before ready to make any decision.
reason. Rent control is a complereason. Please show on the reco	am against cancel the 12/19 meeting simply due to the proximity to holiday as lex and complicated issue, and the original plan of 6 meetings I think has its valid ord that I second Chung's position, of against cancel our last meeting on 12/19, study session before final voting on last meeting of 12/19.
BR, Chunchi	
On Thu, Dec 1, 2016 at 4:55 Pl	M, Alin Lancaster < AlinL@unioncity.org > wrote:
Hi Chunchi	
Yes, that is correct the December	5 th meeting will be the last.
Thanks for your comments, pleas discussion and deliberation on M	e feel free to share your thoughts and experiences with the Taskforce as part of the onday.
Kind Regards,	
Alin	
ALIN LANCASTER	

Alin Lancaster

From: Chunchi Ma <3machunchi@gmail.com>
Sent: Friday, December 02, 2016 2:38 PM

To: Bill Mulgrew

Cc: Kris Kokotaylo; Alin Lancaster; Tony Acosta; Mark Evanoff; Lorena Gonzalez; Joan

Malloy; Tom Silva (edenrealty@sbcglobal.net)

Subject: Re: Taskforce Meeting 5 Packet - 12.5.16

Follow Up Flag: Flag for follow up

Flag Status: Completed

I second Bill's opposition to the inclusion of the 'tenant protection' into all the option available for us to vote. Let the record reflects of my opposition as Bill does.

I voted against it at the prior meeting, stating that with Federal and State law, we have enough law in protection for landlords and tenants already without the need for creating a new one. As a matter of fact, we as landlords sometimes afraid of tenants more so than the other way around. Take the example of our eviction case, we received numerous of threaten text messages from the tenants, we kept them in our cell just in case we need to resolve in court. We can share that with the task force if preferred. So why automatically assume that tenants need protection while landlords don't?

Likewise, I am against inclusion of the Just Cause Eviction to be on ALL the available option for us to vote on. I think JCE should be a separated line item for Task Force to consider and vote on, INDEPENDENT of the max rent cap/trigger for mediation option. Just Cause eviction, makes it much tougher for landlords to evict bad tenants, get our hands tied, and the group benefit is the bad tenants, as there is NO incentive for landlords to kick out any good tenants.

Have a good weekend,

Chunchi

On Fri, Dec 2, 2016 at 12:38 PM, Bill Mulgrew

bill@rhosource.com> wrote:

Dear Union City Task Force Staff,

I was quite surprised and a bit upset at seeing the package for Monday's Task Force Meeting. The not-so-subtle staff bias toward "Tenant Protections" appears to have risen to a new level. Specifically, I am referring to the inclusion of "Harassment Protection" in all of the Options available for voting. The Minutes state:

"Alin Lancaster, HCD Coordinator - asked the Taskforce members if there was interest in having

harassment protection as an option.

Attachment 1 to Meeting Minutes The Taskforce members did not respond

Attachment 13

Alin Lancaster, HCD Coordinator – then stated that due to the lack of response, she interpreted this as the Taskforce agreed with attaching harassment protection to each of the options."

Why "interpret" a "No Response" as support from the Task Force members for including harassment protection in each of the options? The more natural and logical path would be to interpret a "No Response" to the question of interest in inclusion as a "Do not include" vote. This is a decision strongly indicative of a desired and predetermined outcome.

I don't know how this got past me at the time. I certainly would not have let it go without protest had I heard it as it is put in the Minutes. I am now registering disapproval of the apparent bias, disapproval of the inclusion of "Harassment Protection" in all three of the Options, and disapproval of the inclusion of "Harassment Protection" in Option A. I would like it stricken before any further votes on the Options.

The State of California Department of Consumer Affairs prescribes process and remedy for tenants who feel they have been harassed and retaliated against. These can be found here: http://www.dca.ca.gov/publications/landlordbook/retalitory-actions.shtml There is no additional need for "Harassment Protection."

Based on other items and comments in the minutes, I am not confident at this point that all task force members have a shared and comprehensive understanding of the details of each voting Option. I ask that absolute clarity be obtained before any final voting.

Respectfully,

Bill Mulgrew

Executive Director

Rental Housing Association

1264 A Street

Hayward, CA 94541

Attachment 1 to Meeting Minutes

Attachment 13

Tel: <u>510 537-0340</u>

Fax:<u>510 537- 9541</u>

Email: bill@rhosource.com

http://www.rhasouthernala.com

LIKE US ON FACEBOOK:

https://www.facebook.com/RentalHousingAssociationSouthernAlameda

The Rental Housing Association does not make any representation or warranty any advice as to its legal effect. Our services are not intended to serve as a replacement for professional legal advice. Consult with an attorney when making important decisions that could impact your business or rental properties

From: Alin Lancaster [mailto: AlinL@UnionCity.org]

Sent: Thursday, December 01, 2016 6:08 PM

To: mashael@urbanhabitat.org; 3machunchi@gmail.com; aandrade@nhusd.k12.ca.us; anniehe 2000@yahoo.com; anunez80@gmail.com; Bill Mulgrew

bill@rhosource.com>; Chris Cara <cara@filipinos4justice.org>; cwu1999@gmail.com; dorothyjacksonpci@gmail.com; Ian Palavi <ipalavi16@gmail.com>; iqduru@stanfordalumni.org; Jamie.Sessions@eahhousing.org; Marjorie A. Rocha (margie@echofairhousing.org) <margie@echofairhousing.org>; remy@remyfortier.com; tcconde@sbcglobal.net; tony@urbanhabitat.org

Cc: Tony Acosta <TonyA@UnionCity.Org>; Kris Kokotaylo <KKokotaylo@MeyersNave.com>; Mark Evanoff <MarkE@UnionCity.Org>; Lorena Gonzalez <LorenaG@UnionCity.Org>; Joan Malloy <JoanM@UnionCity.Org>

Subject: Taskforce Meeting 5 Packet - 12.5.16

Good Evening Taskforce,

Please find attached the agenda packet for the fifth Taskforce meeting on December 5, 2016. The agenda packet includes the following information:

- December 5, 2016 Meeting Agenda
- Minutes from the November 21, 2016 meeting
- Powerpoint Presentations:
 - o Additional Information Eviction/Unlawful Detainer Process Overview

Attachment 1 to Meeting Minutes

Attachment 13

- o Presentation on Small Group Discussion Results
- o Final Voting
- Attachments:
 - o Attachment A: Overview of Eviction Process
 - o Attachment B: Initial Voting and Small Group Discussion Results
 - o Attachment C: Option Cost Estimates

Hard copies of the packet will be provided at the meeting and the packet can also be accessed using the following link:

http://38.106.5.171/Home/ShowDocument?id=8402

Below is the time/location information for the meeting.

Meeting 5

December 5, 2016 | 7:00 PM Ruggieri Senior Center, Dining Room 33997 Alvarado-Niles Road Union City, CA

Kind Regards,

Alin

ALIN LANCASTER

Housing & Community Development Coordinator City of Union City

510.675.5322

34009 Alvarado-Niles Rd

Union City • CA • 94587

unioncity.org | facebook | twitter | nixle

Rent and Tenant Taskforce Meeting 5

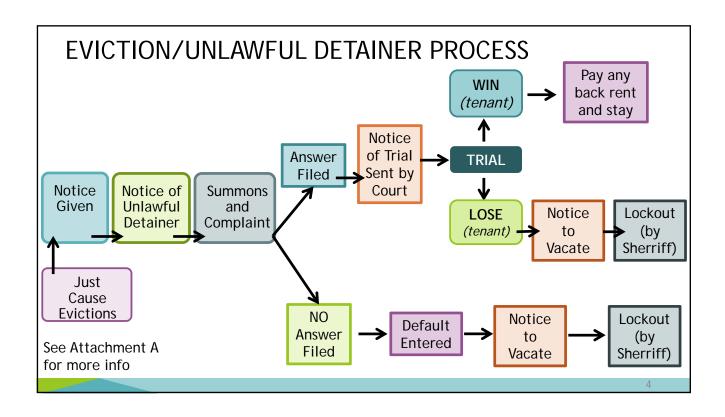
DECEMBER 5, 2016

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MEETING AGENDA

- I. Roll Call
- II. Approval of 11/21/16 Minutes
- III. Unfinished Business
 - A. Eviction/Unlawful Detainer Process Overview
- IV. Presentations
 - A. Presentation on Small Group Discussion Results
- V. Public Comments
- VI. Taskforce Discussion
 - A. Final Voting
- VII. Adjournment





EVICTION/UNLAWFUL DETAINER PROCESS

<u>3-Day Notice</u> - must describe the tenant's violation of the lease or tenant's other improper conduct.

- Failure to pay rent
- Lease violations
- Drug dealing
- Property damage
- Dog fighting or cock fighting
- Interfering with other tenants
- Domestic violence, sexual assault, or stalking
- Unlawful conduct involving weapons
- Using premise for unlawful purposes

30-Day Notice

Tenant has lived in the unit for less than one year

60-Day Notice

• Tenant has lived in unit for one year or longer

90-Day Notice

Tenants that receive Section 8

Item IV.A.
Small Group
Discussion Results



OPTION A

Tenant/Landlord Mediation (Non-Binding)

- Oversight: 3rd Party Mediator
- Eligible Units: 2+ Units
- Rent Increase Threshold: 10% or more
 (i.e. tenant/landlord can only request mediation if the
 rent increase is 10% or more)
- Landlord participation <u>is</u> mandatory

 (i.e. rent increase is null and void if landlord does not participate in the process)
- · Recommendations are non-binding
- Harassment Protections

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Tenant/Landlord Mediation (Binding)

OPTION B

- Oversight: 3rd Party Mediator
- Eligible Units: 2+ units
- Rent Increase Threshold: 7% or more
 - (i.e. tenant/landlord can only request mediation if the rent increase is 7% or more)
- Landlord participation is mandatory
 - (i.e. rent increase is null and void if landlord does not participate in the process)
- Recommendations are binding for pre-1995 multi-family units and non-binding for all other units
- Just cause eviction protections
- Harassment protections

Rent Stabilization & Just Cause Evictions

OPTION C

- Eligible Units: Pre-1995 multi-family units
- Rent Increase Threshold: % Change in CPI
- Allowed Pass Through Costs
 - Taxes
 Capital improvements
 - Fees Utilities
- Adjustment Banking 3 years
 - If landlord doesn't raise the rent in a given year, they can bank or save their rent increase(s) for up to 3 years
- **Just Cause Evictions**
 - Not paying rentLease violations

 - Damaging the unit
 - Illegal activity
- Harassment Protections
- Unauthorized sublease (including Airbnb)
- Owner/family occupancy
- Substantial Rehabilitation (need to define)

ESTIMATED ANNUAL COST

Options	Annual Cost Estimate	
Option A - Tenant/Landlord Mediation (Non-Binding)	\$269,300	
Option B - Tenant/Landlord Mediation (Binding)	\$294,300	
Option C - Rent Stabilization & Eviction Protections	\$282,200	

See Attachment C for more info

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OPTION A

Tenant/Landlord Mediation (Non-Binding)

Staff Costs	FTE	0.60	\$82,900
3rd Party Mediator (estimate)			\$75,000
Outreach/Education			\$37,500
Office Equipment / Supplies			\$2,500
Legal Services			\$35,000
Database Software			\$14,400
Rental Registration Fee			
Collection/Administration	FTE	0.20	\$22,000
Total Annual Costs			\$269,300

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OPTION B

Tenant/Landlord Mediation (Binding)

Staff Costs	FTE	0.60	\$82,900
3rd Party Mediator (estimate)			\$100,000
Outreach/Education			\$37,500
Office Equipment / Supplies			\$2,500
Legal Services			\$35,000
Database Software			\$14,400
Rental Registration Fee			
Collection/Administration	FTE	0.20	\$22,000
Total Annual Costs			\$294,300

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OPTION A

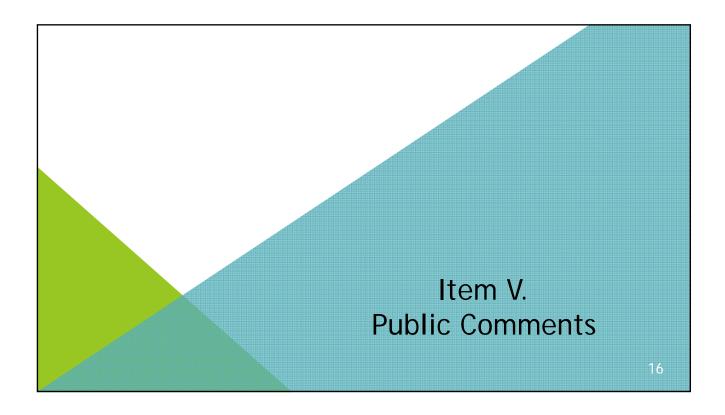
Rent Stabilization & Just Cause Evictions

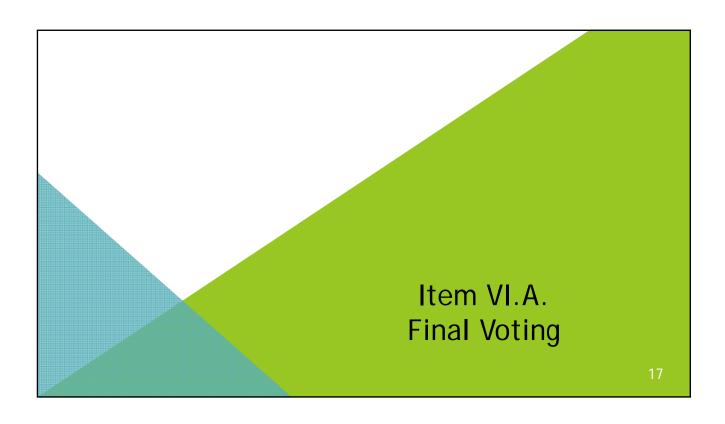
Staff Costs	FTE	1.20	\$165,800
Outreach/Education			\$37,500
Office Equipment / Supplies			\$2,500
Legal Services			\$35,000
Training			\$5,000
Database Software			\$14,400
Rental Registration Fee			
Collection/Administration	FTE	0.20	\$22,000
Total Annual Costs			\$282,200

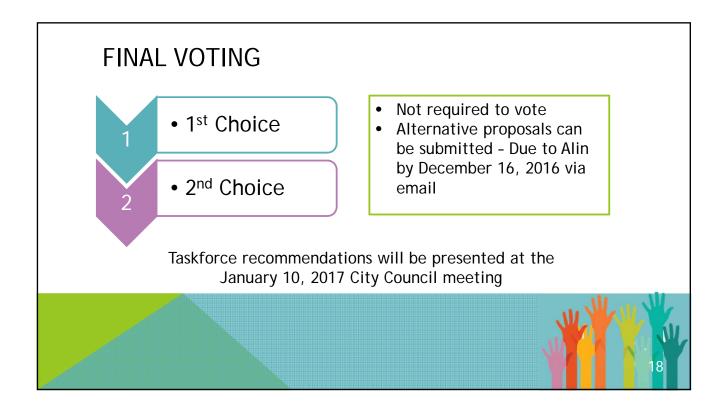
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ESTIMATED ANNUAL RENTAL REGISTRATION FEE

	Options	Eligible Units	# of Units	Fee/ Unit	Total Annual Revenue
	Tenant/Landlord				
Option A	Mediation (Non-binding)	All MFR (2+ Units)	3,483	\$77	\$269,300
	Tenant/Landlord				
Option B	Mediation (Binding)	All MFR (2+ Units)	3,483	\$84	\$294,300
	Rent Stabilization &	MFR built			
Option C	Eviction Protections	before 1995	2,760	\$102	\$282,200









OPTION A

Tenant/Landlord Mediation (Non-Binding)

- Oversight: 3rd Party Mediator
- Eligible Units: 2+ Units
- Rent Increase Threshold: 10% or more
 - (i.e. tenant/landlord can only request mediation if the rent increase is 10% or more)
- Landlord participation <u>is</u> mandatory
 - (i.e. rent increase is null and void if landlord does not participate in the process)
- Recommendations are non-binding
- Harassment Protections

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Tenant/Landlord Mediation (Binding)

OPTION B

- Oversight: 3rd Party Mediator
- Eligible Units: 2+ units
- Rent Increase Threshold: 7% or more
 - (i.e. tenant/landlord can only request mediation if the rent increase is 7% or more)
- Landlord participation is mandatory
 - (i.e. rent increase is null and void if landlord does not participate in the process)
- Recommendations are binding for pre-1995 multi-family units and non-binding for all other units
- Just cause eviction protections
- Harassment protections

Rent Stabilization & Just Cause Evictions



- Eligible Units: Pre-1995 multi-family units
- Rent Increase Threshold: % Change in CPI
- Allowed Pass Through Costs
 - Taxes
 Capital improvements
 - Fees Utilities
- Adjustment Banking 3 years
 - If landlord doesn't raise the rent in a given year, they can bank or save their rent increase(s) for up to 3 years
- **Just Cause Evictions**
 - Not paying rent
 - Lease violations

 - Illegal activity
- **Harassment Protections**
- Unauthorized sublease (including Airbnb)
- Owner/family occupancy
- Damaging the unit
 Substantial Rehabilitation (need to define)

Attachment 13 Attachment B

Rent and Tenant Taskforce - Options

Initial Voting Results

Tenant/Landlord Mediation - Non-Binding

- Oversight: 3rd Party Mediator
- Eligible Units: Multi-Family Only
- Rent Increase Threshold: 7-10% or more (i.e. tenant/landlord can only request mediation if the rent increase is at or more than the rent increase threshold)
- Landlord participation in the process is nonmandatory
- Recommendations are non-binding

Small Group Discussion Results

Tenant/Landlord Mediation - Non-Binding

- Oversight: 3rd Party Mediator
- Eligible Units: 2+ Units
- Rent Increase Threshold: 10%
 Did not receive input. Initial voting favored10%
- Landlord participation in the process is mandatory
- · Recommendations are non-binding
- Harassment Protections

Tenant/Landlord Mediation – Binding

- Oversight: 3rd Party Mediator
- Eligible Units: All rentals
- Rent Increase Threshold: 0-5% or more (i.e. tenant/landlord can only request mediation if the rent increase is at or more than the rent increase threshold)
- Landlord participation is mandatory

 (i.e. rent increase is null and void if landlord does not participate in the process)
- Recommendations are binding for pre-1995 multi-family units and non-binding for all other units

Tenant/Landlord Mediation - Binding

- Oversight: 3rd Party Mediator
- Eligible Units: 2+ units
- Rent Increase Threshold: 7%
- Landlord participation is mandatory
- · Recommendations are binding
- Just cause eviction protections
- Harassment Protections

Rent Stabilization & Just Cause Evictions

- Eligible Units: Pre-1995 MFR
- Rent Increase Threshold: % Change in CPI Pass Through Costs
- Costs allowed to be passed on to tenants beyond the allowable rent increase (e.g. taxes, fees, capital improvements, utilities)

Adjustment Banking

 If landlord doesn't raise the rent in a given year, they can bank or save their rent increase for a future year

Just Cause Evictions - In Favor

- Not paying rent
- Lease violations
- · Damaging a unit
- Illegal Activity

Just Cause Evictions - Undecided

- Unauthorized subtenant
- Owner/Family Occupancy
- Substantial Rehabilitation

Rent Stabilization & Just Cause Evictions

- Eligible Units: Pre-1995 MFR
- Rent threshold: CPI
- Pass Through Costs
 - Taxes, fees, capital improvements, utilities
- Adjustment Banking
 - Landlords can bank/save up to 3 years worth of rent increases
- Just Cause Evictions
 - Not paying rent
 - Lease violations
 - · Damaging a unit
 - Illegal Activity
 - Unauthorized sublease (includes Airbnb)
 - Owner/Family Occupancy
 - Substantial Rehabilitation
- Harassment Protections

Option C

Attachment C

Cost Estimates

Option A - Tenant/Landlord Mediation (Non-Binding)		
Staff Costs	FTE 0.60	\$ 82,900
3rd Party Mediator		\$ 75,000
Outreach/Education		\$ 37,500
Office Equipment / Supplies		\$ 2,500
Legal Services		\$ 35,000
Database Software		\$ 14,400
Rental Registration Fee Collection/Administration	FTE 0.20	\$ 22,000
Total Annual Costs		\$ 269,300
Option B - Tenant/Landlord Mediation (Binding)		
Staff Costs	FTE 0.60	\$ 82,900
3rd Party Mediator		\$ 100,000
Outreach/Education		\$ 37,500
Office Equipment / Supplies		\$ 2,500
Legal Services		\$ 35,000
Database Software		\$ 14,400
Rental Registration Fee Collection/Administration	FTE 0.20	\$ 22,000
Total Annual Costs		\$ 294,300
Option C - Rent Stabilization & Just Cause Eviction Protection	S	
Staff Costs	FTE 1.20	\$ 165,800
Outreach/Education		\$ 37,500
Office Equipment / Supplies		\$ 2,500
Legal Services		\$ 35,000
Training		\$ 5,000
Database Software		\$ 14,400
Rental Registration Fee Collection/Administration	FTE 0.20	\$ 22,000
Total Annual Costs		\$ 282,200

Revenue Estimates

The revenue estimates below demonstrate the per unit fee that would need to be charged per option in order for the City to recuperate all of its expenses.

		# of	Anı	nual Fee	To	tal Annual
Option	Eligible Units	Units	Pe	er Unit	F	Revenue
Option A	All Multi-Family (2+ Units)	3,483	\$	77	\$	269,300
Option B	All Multi-Family (2+ Units)	3,483	\$	84	\$	294,300
Option C	Multi-Family built <u>before</u> 1995	2,760	\$	102	\$	282,200
Estimated	Number of Rental Units					
Multi-Family (2+ units) built before 1995 - Eligible for Rent Stabilization					2,760	
Multi-Family (2+ units) built <u>after</u> 1995 - Not Eligible for Rent Stabilization					723	
Single-Family, Condo, Townhome - Not Eligible for Rent Stabilization					3,214	
Total Rental Units					6,697	