

RICHMOND, CALIFORNIA, September 20, 2017

The Open Session to Hear Public Comment before Closed Session was called to order at 4:08 PM.

ROLL CALL

Present: Chair Gray, Vice Chair Gerould, Boardmembers Combs, Finlay, Maddock, and Executive Director Traylor.
Absent: None.

PUBLIC COMMENT BEFORE CLOSED SESSION

Cordell Hindler showed his gratitude for the Executive Director and urged the Rent Board to recognize his good work. He also suggested that Executive Director Traylor give a presentation on rent control at one of the City Council meetings.

ADJOURN TO CLOSED SESSION

CLOSED SESSION

The Regular Meeting of the Richmond Rent Board was called to order at 4:33 PM.

PLEDGE TO THE FLAG

ROLL CALL

Present: Chair Gray, Vice Chair Gerould, Boardmembers Combs, Finlay, Maddock, and Executive Director Nicolas Traylor.
Absent: None.

STATEMENT OF CONFLICT OF INTEREST

None.

AGENDA REVIEW

Removed item G-2 from the Consent Calendar to be discussed at the end of the agenda.

REPORT FROM LEGAL COUNSEL OF FINAL DECISIONS MADE DURING CLOSED SESSION

Legal Counsel Michael Roush stated that the Rent Board met in closed session to discuss the evaluation of the Executive Director and no final action was taken.

PUBLIC FORUM

Cordell Hindler invited the Rent Board and the audience to the Library meeting on Wednesday 20th September at 6:30pm; and to Contra Costa Civic Theatre's musical showing, *Cabaret*. He also appreciated the City Attorney Office's Brown Act presentation provided at a previous Board meeting.

RENT BOARD CONSENT CALENDAR

On motion of Boardmember Combs, seconded by Chair Gray, the item(s) marked with an (*) were approved by the unanimous vote of the Rent Board:

*G-1. APPROVE the minutes of the August 23, 2017, Special Meeting of the Richmond Rent Board.

PUBLIC HEARINGS

H-1. The matter to adopt an amended Fiscal Year 2017-2018 Rent Program Budget was presented by Executive Director Nicolas Traylor and Management Analyst Paige Roosa. The presentation included background and purpose of the amended Fiscal Year 2017-18 Rent Program Budget, a proposed department organizational chart, overview of fiscal impact, and a review of proposed modifications. Discussion ensued. A motion by Boardmember Maddock, seconded by Chair Gray, moved to adopt an amended Fiscal Year 2017-18 Rent Program Budget with the revision that the delta between the adopted and amended Fiscal Year 2017-18 budget surplus be allocated to a line item for contract Hearing Examiner Services. The motion passed unanimously.

H-2. The matter to adopt Regulation 17-07, regarding the Withdrawal of Rental Units from the Rental Market; and direct staff to prepare a fee study for

administration of Regulation 17-07 for the Rent Board's consideration in 2018 was presented by Legal Counsel Michael Roush. The presentation included a statement of the issue, background and purpose of the proposed regulation, requirements for re-renting withdrawn rental units within two, five, and ten years, and noticing requirements for the withdrawal of rental units from the rental market. Discussion ensued. Boardmember Maddock raised the question of how requirements apply to withdrawn accommodations when there is a change of use to the property, specifically as applied to rent-restricted rental units. A motion made by Chair Gray, seconded by Boardmember Finlay moved to adopt Regulation 17-07, regarding the Withdrawal of Rental Units from the Rental Market; and direct staff to prepare a fee study for administration of Regulation 17-07 for the Rent Board's consideration in 2018 and directed staff to return with an answer to Boardmember Maddock's question at the next board meeting. The motion passed unanimously.

REGULATIONS

I-1. The matter to receive a memorandum from Legal Counsel Michael Roush regarding the legal authority to establish "banking" rent increase provisions; (2) receive a presentation from Dr. Stephen Barton regarding the right to raise the Rent up to the Maximum Allowable Rent level, also known as "banking" rent increases, and (3) consider recommendation to adopt regulation 17-09 regarding the right to raise the rent up to the maximum allowable rent level also known as banking rent increases with limitations, such that the net rent increase in any one year as a result of the application of the current plus any deferred or "banked" AGAs does not exceed five percent (5.0%) plus the current AGA (this draft Regulation (17-09) would not become effective until September 1, 2018) was presented by Legal Counsel Michael Roush, Executive Director Nicolas Traylor, and Dr. Stephen Barton. Discussion ensued. Gerardo Castro, Edith Pastrano, Jakira Colin, Renee Tobar and Melvin Willis gave comments. An amended motion made by Boardmember Combs, seconded by Boardmember Finlay, moved to direct staff to bring back language in a revised proposed Regulation 17-09, consistent with the intent to restrict banking to two years, such that only two (2) Annual General Adjustments could be "banked," with a

maximum cap of five percent (5.0%), at a future meeting. The motion passed with Chair Gray voting No.

I-2. The matter to adopt regulation 17-10, rescinding and replacing Regulation 17-04 regarding the filing with the Board of notice of rent increases and termination of tenancies and enrolling Rental Units with the Board was presented by Legal Counsel Michael Roush. Discussion ensued. A motion made by Boardmember Combs, seconded by Vice Chair Gerould, moved to adopt regulation 17-10, rescinding and replacing Regulation 17-04 regarding the filing with the Board of notice of rent increases and termination of tenancies and enrolling Rental Units with the Board. The motion passed with Chair Gray abstaining.

An amended motion made by Chair Gray, seconded by Boardmember Combs, moved to postpone items I-3, J-1, and G-2, to the next meeting of the Rent Board. The motion passed with Vice Chair Gerould absent.

RENT BOARD AS A WHOLE

J-2. The matter to receive a presentation from subsidized housing developers regarding their request for a waiver for payment of the FY 2016-2017 and FY 2017-2018 Residential Rental Housing Fee was presented by Executive Director Traylor, Diane Luther of EAH Housing, and Steve McElroy of the John Stewart Company. Discussion ensued. No action was taken.

J-3. The matter to receive and approve a project timeline for critical path items central to the development of the Rent Program was presented by Executive Director Traylor. Discussion ensued. A motion made by Chair Gray, seconded by Boardmember Finlay, moved to approve a project timeline for critical path items central to the development of the Rent Program. The motion passed with Vice Chair Gerould absent.

ADJOURNMENT

There being no further business, the meeting adjourned at 8:26 PM.

Paige Roosa, Coreyana Whatley
Staff Clerks

(SEAL)

Approved:

DAVID GRAY
Rent Board Chair