

# AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: July 20, 2022

Final Decision Date Deadline: July 20, 2022

**STATEMENT OF THE ISSUE:** Members of the community have sent letters to the Rent Board and Rent Program staff members. Staff members recommend letters that do not pertain to a specific item on the Rent Board agenda be included as consent items for consideration by the Rent Board.

## INDICATE APPROPRIATE BODY

- |   |   |  |  |   |
|---|---|--|--|---|
| <input type="checkbox"/> City Council               | <input type="checkbox"/> Redevelopment Agency                             | <input type="checkbox"/> Housing Authority     | <input type="checkbox"/> Surplus Property Authority          | <input type="checkbox"/> Joint Powers Financing Authority |
| <input type="checkbox"/> Finance Standing Committee | <input type="checkbox"/> Public Safety Public Services Standing Committee | <input type="checkbox"/> Local Reuse Authority | <input checked="" type="checkbox"/> Other: <u>Rent Board</u> |   |

## ITEM

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|---|--|--|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) |  |  |
| <input type="checkbox"/> Public Hearing   | <input type="checkbox"/> Regulation  | <input checked="" type="checkbox"/> Other: <u>CONSENT CALENDAR</u> |
| <input type="checkbox"/> Contract/Agreement   | <input type="checkbox"/> Rent Board As Whole                                     |  |
| <input type="checkbox"/> Grant Application/Acceptance                                 | <input type="checkbox"/> Claims Filed Against City of Richmond                   |  |
| <input type="checkbox"/> Resolution   | <input type="checkbox"/> Video/PowerPoint Presentation (contact KCRT @ 620.6759) |  |

**RECOMMENDED ACTION:** RECEIVE letters from community members regarding the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, RMC 11.100 – Rent Program (Cynthia Shaw 620-5552).

AGENDA ITEM NO:

**F-3.**

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**Cynthia Shaw**

**From:** Doss & Felix <doss\_felix@yahoo.com>  
**Sent:** Wednesday, June 22, 2022 12:20 PM  
**To:** Cynthia Shaw; vfinlay@richmondrent.org; smishek@richmondrent.org; aconner@richmondrent.org; cjohnson@richmondrent.org; mvasilas@richmondrent.org  
**Subject:** Our MNOI experiences

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Hello Rent Board Members

Thank you for an opportunity to relay our MNOI experience. RC 18-003 and RC 20-2022

In the beginning at the original Richmond Rent Program meetings, Nick Traylor publicly made promises as to how the Historically Low Rents section of the new rent rules would protect many of us mom and pop housing providers who had failed to keep up with the market and the rent increases. He said allowances would be made. He told a large group of us that he understood our position. He said he had our backs and the system would soon be in place to make it all fair. He was great at appearing trustworthy. Fast forward 2 years - none of that happened. HLR packet was never written. Our only path forward was MNOI.

MNOI forms/process are a barrier to the average mom and pop housing provider.

My husband and I are both math people. We are not normally intimidated by forms nor figures. Our books balance. My husband, Ray Felix, was the primary person in collecting the data and filling out the MNOI forms. The packet is not straight forward. He provided real numbers from our actual tax returns. Our calculations were/are real and accurate.  $5 - 3 = 2$  every time. I proofed his work and agreed with his reasoning. We agreed the form was unnecessarily difficult and subject to interpretation.

As we understood, we were the very first MNOI applicants in Richmond to get to the level of having a packet submitted and accepted. That said, what happened during that process was troubling. Over many frustrating weeks, my husband had filled out our packet in pencil in case we were incorrect in our interpretation of the questions. It was a draft. We went for what we thought was a consultation appointment with Cynthia Shaw. She went line-by-line with us. She kept leaving her desk and running back to ask "him/he" (We later found out that the man behind the curtain that day was Mr. Paul Cohen). Ms. Shaw would bring our application back to her desk with new numbers. This happened so many times at that meeting; we had no idea where our actual numbers went. We were told, "this is what he wants". Ms. Shaw did not seem to understand the process; she was following Mr. Cohen's orders. "This is how it has to be". Once they had this (new and improved) set of numbers, Ms. Shaw announced "You're done!". She made us a copy and sent us home. Unfortunately we had not made a copy of our draft before it was altered by staff. We were a bit shocked. They took this altered pencil "document".

Mr. Cohen sent a ruling based on numbers we no longer recognized. We felt like he picked a new rent he thought both parties might accept without regard to reality. One tenant of four disagreed. We disagreed. We met for a mediation. No meaningful resolution happened there. Mr. Cohen asked us to get a retroactive rent appraisal\* (back to 2015). He gave us a list of approved appraisers. We did this. (\* These rents were derived from properties sold where landlords were cutting losses with looming rent control. This was not fair market value). Mr. Cohen then proceeded to throw away the numbers generated by the appraiser he sent us to, because they were too high to fit his calculation. We decided to go forward with the Board Hearing. Meanwhile, Charles Oshinuga looked the

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documents over and came up with a new number. It was a higher number in our favor, but still did not reflect any facts that seemed remotely reasonable. The Board decided to accept the attorney's number and recommendation. When we received the ruling in written form, I noticed that there were simple math errors in the final calculations. I pointed it out to Nick Traylor. He said "Get a lawyer. A final ruling is final." He had whispered to one of our friends at the hearing that he didn't know why we hadn't lawyered up already. We had trusted the system. We had trusted his words. Hearing that was a knife in the back thrust by Nick Traylor.

We had more losses due to the costs of maintaining the property and filed a second MNOI. This time Mr. Cohen threw out \$5000 of expenses because he didn't like the format of the repairman's invoice. He wanted separate invoices for each item. We did not fight this because it felt pointless.

If English speaking, math brained, citizens with advanced degrees in science cannot feel secure in this system, it needs changed. It is an unfair hurdle. Actually, it is more of a wall. The line items on the MNOI form should reflect line items from federal and state tax returns. There is no reason to turn the numbers inside out just to confuse the landlord and make them feel helpless.

Please note: The MNOI process was worrisome and annoying to the tenants. 3 of the 4 long term tenants from that period have chosen to leave since the MNOI times. We have offered the units to our young adult children and withdrawn them from the rental market. The response we had from RRP, Moises Serano was:

Thank you for submitting your Request for an Administrative Determination that the Rent Ordinance is not Applicable because a unit is Rent Free or Not Available for Rent. Please accept this message as a confirmation of receipt. Your **submission has been placed in our queue list.**

**Please note that since we have a long submission list it may take a while** before we get to your submission. The status of the unit has been changed to under review in our system that way you are not assessed any fees by us for that unit as you wait for your submission to be reviewed .

So, Dear Rent Board, the system is failing to protect the tenants and the housing providers. Both groups are leaving or pulling units off the roles. MNOI is a unnecessarily cumbersome, confusing, subjective, and likely prejudiced. The line items should be a simple transfer from federal and state tax forms. There should be no place for a man behind the curtain.

Thank you for all you do.

Respectfully,

Jerrilee Doss (and Raymond Felix)