

**CITY OF EAST PALO ALTO
RENT STABILIZATION BOARD MEETING
WEDNESDAY, NOVEMBER 18, 2009
SPECIAL MEETING
2415 UNIVERSITY AVENUE
City Council Chambers
EAST PALO ALTO, CA
Minutes**

1. CALL TO ORDER

Chair Dorn called the meeting to order at 7:09 p.m.

2. ROLL CALL

Board Members Present: Randolph, Hernandez, Hart, Dorn, Mitchell
Board Members Absent: Webster
Board Alternates Present: Allen
Board Alternates Absent:
Staff Present: Ford, Alvarado

3. APPROVAL OF AGENDA

Board Member Allen was seated as a regular board member for purposes of voting.

Motion: It was moved (Allen) and seconded (Hernandez) to move item 12, Community Forum after item 4. Motion passed with one abstention (Hart).

Motion: It was moved (Randolph) and seconded (Hernandez) to accept the agenda, as amended. Motion passed unanimously.

4. APPROVAL OF MINUTES

Staff Ford pointed out that the minutes from the October 28, 2009, Board Meeting did not go out with the Board packet but were distributed at the meeting and would be on the next agenda for approval.

- Minutes for the October 14, 2009, RS Board meeting

Chair Dorn made a change to page 1, "Chair Dorn explained that the agenda was set according to ~~Robert's~~ Robert's Rules and Regs of the Rent Stabilization Ordinance but the Board could change the order of items at each meeting."

Motion: It was moved (Hernandez) and seconded (Randolph) to approve the minutes of October 14, 2009, as amended. Motion passed with one abstention (Hart).

- Minutes for the October 28, 2009, RS Board meeting – Continued to next meeting

12. COMMUNITY FORUM

Renita Burns (??), 2135 Clarke Avenue, YUCA, encouraged the Rent Board Members to become a part of the passage of the Rent Stabilization Ordinance and urged that the City Council stick to the timeline for getting the Ordinance on the ballot. The Rent Board was also urged to push for the money owed to the Rent Board program by Page Mill Properties.

Gabby Gonzalez, 2135 Clarke Avenue, YUCA, presented a document that was provided to **Mr. Wald ??** which suggested that rental rates should be based on the income of East Palo Alto residents; tenants should receive a rental adjustment based on the initial rents that tenants paid in 2006 prior to Page Mill taking over; and repair and maintenance fees should be the responsibility of the landlord.

Board Member Hart suggested that the YUCA representatives contact Stanford Law Clinic and other attorneys who are involved in some of the negotiations.

5. AGENDIZED ITEMS FOR POLICY AND ACTION

- 5.1 Follow-up discussion on presentation by Community Legal Services (CLS) on proposed outreach and education activities that could be carried out by CLS.

Board Member Hart reported that he, Chair Dorn, and Victor Ramirez met to define more clearly what they wanted to see in the brochures; Mr. Ramirez will be preparing a draft for the Board's review.

Chair Dorn commented that the meeting included discussion of holding meetings in places that are convenient for tenants to attend.

Board Member Hart added that they wanted to advocate for YUCA to be a part of the process to do outreach.

Chair Dorn indicated that a suggestion was made for hands-on types of workshops as well as meetings that are more instructional about rights and responsibilities.

Victor Ramirez, Community Legal Services (CLS), 2117 University Avenue, agreed with concerns that were expressed at the meeting with Board Member Hart and Chair Dorn. He explained that he did not have a final product yet for the Board. CLS will subcontract with YUCA, but terms are still being negotiated. He anticipated that the information would be available prior to the Board's December 9 meeting.

- 5.2 Follow-up discussion Rent Stabilization Board retreat held on November 7, 2009.

Board Member Hart commented he found a discrepancy in the packet of material prepared by Board Member Allen, which indicated that Board had eliminated the City Council Liaison Committee and turned it into an ad hoc committee. His understanding was that

the Board kept the Liaison Committee as it currently exists but changed the Technology and Budget Committees to ad hoc committees.

6. CONSENT CALENDAR

7. PUBLIC HEARING

8. RESOLUTIONS or RULES

9. REPORTS OF COMMITTEES AND STAFF

9.1 Report out from RS Board Members and Committees:

a. Operational Excellence (**Allen, Mitchell & Hernandez**)

Board Member Allen reported that he produced the retreat information on the Costa-Hawkins Act and how it was implemented in the City. The Operational Excellence Committee has not met.

b. Outreach/Education (**Dorn & Hart**) – No report

c. City Council Liaison (**Hart & Mitchell**) – No report

d. Rules and Regulations (**Webster, Allen & Randolph**)

Board Member Allen commented that the Rules and Regulations Committee was rescheduled to December 2 at 6:30 p.m., to discuss the Fremont-Oberle suggested amendments to Rules and Regulations 1600 with regard to calling the Vacancy Registration form the New Tenancy Registration form. He suggested the Board Members refer to their October 14 packet and look at the letter from Mr. Fremont with regard to suggested amendments.

Chair Dorn reported meeting with the Mayor and City Attorney to discuss the negotiations with Wald Realty and the Rent Board's concerns about not being at some of the meetings. It was explained that although the Rent Board is named in some of the lawsuits, the City is the main name on the lawsuits. Decisions on negotiations are made by the City. She tried to emphasize to the Mayor and City Attorney the Board's concerns such as the need for a vigorous program to get the registration forms and the need for more money to accomplish that; the importance of the Rent Board get all registration information; pushing rents back to 2006 before Page Mill took over the properties; adjustment for overpaid rents; and finding tenants who have moved but may be due reimbursement for overpaid rents.

Board Member Randolph questioned whether there was discussion about liens.

Chair Dorn pointed out that one of the Court orders to Wald was that they avoid liens, but liens could be put on properties if the penalties and registration fees were not paid. She added that the Board needs to continue to have a Board Member at each City Council meeting and continue to press for the needs of the Board as well as the needs of the tenants.

Board Member Allen reported writing an email, in consultation with Chair Dorn, to the City Council and staff enumerating some of the points that Chair Dorn had. He explained that he heard from a Council Member that the reason why penalties were on the table as

negotiating tools was that they were referenced in one of the lawsuits. He reviewed the lawsuits listed on the City Council agenda and found no instance of any reference to any penalties. He did not want the City to use the Rent Program's penalties as leverage to get rid of other financial liabilities without stipulating certain concerns of the Board.

Chair Dorn asked staff to send electronic versions of the vacancy registration forms and the Board's registration forms to the Board Members.

Board Member Hart understood that negotiations are going on between the receiver and the City Attorney, and he recalled at the last meeting that the Board talked about getting feedback from staff regarding staff's conversation with the City Manager or City Attorney pertaining to sending out letters for the fees to be paid.

Staff Ford responded that he had indicated to the Board that any letter he sent out would have to be reviewed by the City Attorney's Office. He is currently calculating all the liens and penalties, which would be brought back to the Board in January.

Board Member Hart made the point that by the time Staff Ford gets the paperwork to the City Attorney, negotiations could be over.

City Attorney Alvarado explained that Staff Ford has been helpful with providing information to the City Attorney's office and, when the information is received, it will be reviewed accordingly. Calculations going forward are fairly basic: 100% penalty. There is no mystery as to how penalties are accrued.

Staff Ford pointed out that the Housing staff has met with the City Attorney and gone over the material in detail.

Board Member Allen suggested that Staff Ford provide to the Board a draft of the letter with blank spaces for dollar amounts. The Board would like to see the proposed language that would be sent to Wald Realty.

City Attorney Alvarado announced that this is his last Rent Board meeting, as he has accepted a position in another jurisdiction. He explained that he drafted language for the amendments to the Rules of Attendance which was presented to the Board for review but not for discussion at this meeting.

Chair Dorn, on behalf of the Board, thanked Mr. Alvarado for all the work he has done.

10. ADMINISTRATIVE ITEMS

11. WRITTEN COMMUNICATIONS

- 11.1 Timeline guideline to insure a rent stabilization measure is timely adopted and placed on the June 8, 2010, general election ballot, submitted by Vincent Ewing, City Attorney to Mayor and City Council on October 6, 2009.

12. COMMUNITY FORUM

13. RECOMMENDATIONS FOR FUTURE ACTIONS AND AGENDA ITEMS

Chair Dorn pointed out that one item is a report from Board Member Mitchell on possible writing of rules of conduct as suggested at the retreat. She will contact Council Member Carlos Romero concerning any suggestions on changes to the proposed Rent Ordinance. Other items include information on the contract with CLS and the generic letter to the landlords regarding delinquent registration fees, liens and penalties.

Board Member Allen commented that the Board needs to take control of the disposition of the penalties when they are in an amount greater than \$1,000.

14. ADJOURNMENT

It was moved (Hernandez) and seconded (Hart) that the meeting be adjourned. Motion passed unanimously. Meeting adjourned at 8:20 p.m.