

**CITY OF EAST PALO ALTO
RENT STABILIZATION BOARD MEETING
WEDNESDAY, FEBRUARY 24, 2010
REGULAR SESSION
2415 UNIVERSITY AVENUE
City Council Chambers
EAST PALO ALTO, CA
Minutes**

1. CALL TO ORDER

The meeting was called to order at 7:04 p.m. by Chair Dorn.

2. ROLL CALL

Board Members Present:	Randolph, Mitchell, Hernandez, Dorn, Webster (arrived at 7:09 p.m.)
Board Members Absent:	Hart
Board Alternates Present:	Allen (arrived at 7:08 p.m.)
Board Alternates Absent:	
Staff Present:	Ford, Lee

Board Member Allen announced that he would be sitting in the Tenant Representative seat.

3. APPROVAL OF AGENDA

Chair Dorn asked that item **12, COMMUNITY FORUM**, be moved ahead as item 6.

Motion: It was moved (Hernandez) and seconded (Randolph) to move item 12, **Community Forum** before item 6. Motion passed unanimously.

4. APPROVAL OF MINUTES

- Minutes for the January 13, 2010, Regular RS Board meeting

Board Member Allen made a correction to page 6, top of page, "After meeting with Mr. Ewing, RSP staff was informed that it was the job of the staff to prepare the report on the Rules and Regulations."

Board Member Webster made a correction to page 4, top of page, "In ~~1988~~ 1984, the RSP received a one-time appropriation of funds to get the RSP up and running, but the RSP is supposed to be self-sustaining."

Motion: It was moved (Hernandez) and seconded (Webster) to approve the minutes for the January 13, 2010, Regular RS Board meeting, as amended. Motion passed with one abstention (Dorn).

- Minutes for the January 27, 2010, Regular RS Board meeting

Board Member Allen referred to the comments from Stephanie Osaze on page 2 and also comments on page 3 from Chair Dorn that mention “District” and questioned what “District” referred to.

Staff Ford responded that he will review the tape and make the changes.

Board Member Webster made a correction to page 1, under item 5.1, “Council will be conducting a budget workshop for a the community...” In the second paragraph under item 5.1, he made a correction, “Total revenues collected ~~was~~ were \$313,476...” On the bottom of page 2, he made a correction, “Chair Dorn pointed out that Community ~~Law~~ Legal Services (CLS)...” On page 3, he made a correction, “City Attorney Ewing indicated that there would be ~~at~~ no additional cost to the City...” On page 3, under item 5.6, correction made to, “City Attorney Ewing reported that at the last meeting, the Board asked him to look at the issue of when to file liens and what would happen in the event of foreclosure. His research revealed that ~~that~~ the lien would be extinguished if foreclosed...” On page 4, he made a correction, “Staff Ford explained that the bids ranged from \$100-\$300 for layout and \$500-\$550 for printing. His suggestion was that the Outreach and Education Committee talk to the companies and let them know what the Rent Board wants in terms of the brochure.”

Board Member Webster commented that the person who prepares the minutes does an excellent job.

5. AGENDIZED ITEMS FOR POLICY AND ACTION

5.1 Development of Board Mission, Values, Norms

Board Member Mitchell wants the Board to discuss its vision and purpose prior to discussing the code of conduct.

Board Member Webster commented that the Board wants to create a civilized community where people, regardless of their economic and class background, can relate to one another in a humane, respectful manner.

Board Member Mitchell indicated he would review the information received and provide options for the Board to make decisions on.

Board Member Randolph suggested that this matter be discussed when the full Board was present. She reiterated that residents need to know the

purpose of the Rent Program and that the Rent Program is where they would come to get rent stabilization information.

Chair Dorn expressed her concern that some of the information was unnecessary, noting that the Ordinance and Brown Act guide the Board about how it functions. She read the purpose of the Rent Stabilization Ordinance (RSO) into the record and suggested adding that the Board wants to carry out the mission as assigned through the RSO that respects the members of the Board as well as members of the community.

Discussion followed on values, with the suggestion of words such as humanity, dignity, and respect. Board reviewed the list of norms to see which one fit the Board's context, which included: (1) **Provide accurate and factual information versus speculation and heresay** – Board agreed; (2) **Once decisions made, support it** – Board comments included disagreement because the Board does not make decisions that are not agreed upon – Board Member Allen suggested “Once decision is made, respect it.”; (3) **Respect and invest your support in each other's roles** – Board concurred that the word “invest” was not necessary; (4) **Exercise judgment that ensures quality service** – Board felt it did not make sense; (5) **Provide each other with timely, accurate, complete responses and information** – Board concurred. Board agreed to add **Come prepared to the meetings.** Board agreed with (6) **Provide clear direction.** With regard to (7) **Represent self professionally and accurately,** Board agreed to remove “and accurately.” With regard to (8) **Give quality service driven responses,** the Board suggested adding “relevant.” Item (9) was changed to, **Keep well informed, knowledgeable, and current on Rent Stabilization Program issues.** With regard to (6), the suggestion was to change it to read, **Provide clear policy direction to the staff.**

Board Member Mitchell asked that the Board Members review the values and norms and discuss these further at the next meeting.

Board Member Randolph commented that the Board's mission or core statement should emphasize that the purpose of the Board is to serve the community.

Board Member Mitchell will put together a draft to bring to the next meeting for review and discussion.

5.2 Status update, discussion and possible action on development process of FY2010-2011 Rent Stabilization Program Operating Budget

Staff Lee reported that staff met with the Finance Director; information that was submitted to the Finance Director on February 5 was distributed to the Board Members; and the ad hoc Committee met on February 3. Each City Department was asked to submit a report to the Finance Director which included information on programs since the beginning of

the fiscal year through December 30 and a projection of the amount of money necessary to end the fiscal year. Staff was asked to prepare a budget without any expenditures, and requests over and above the current budget would go on an expansion list which would be considered by the City Manager. The form showed a carry over of what was requested under the current year budget; the City Council approved funding for a new position, subject to availability of funds. The Board has not collected the majority of funds for the program, which was why there had been no effort to fill the position.

Chair Dorn questioned the settlement and judgment number that was projected for the end of 2009-10 and was also requested for 2010-11.

Staff Lee responded that the number came up during a discussion with the Committee.

Chair Dorn asked for a report from the Finance Department with regard to losses in the San Mateo County investment funds and whether the losses should come out of the Rent Program budget.

Concern was expressed about the fact that more explanation was needed from Mr. Lee to the City Manager for why the Board was asking for more money for next year's budget.

Board Member Hernandez questioned whether the Board's Budget Committee was able to meet with the City's Finance Department.

Chair Dorn pointed out that the Rent Board had only met with the Housing staff to review budget numbers. She added that the budget suggested by the Budget Committee the prior year was not what was presented to the City Council.

The Board discussed the desire to add a new staff member. Clarification was asked for the projected amount of \$565,502 for 2009-10, listed on worksheet #2. It was unclear whether that amount was presented to the City Council. Staff was asked whether the Rent Board would be able to see what the City Manager anticipates to be presented to the Council.

Staff Lee explained that the City Manager and Finance Director are currently meeting with each Department in the City; at the end of the meetings, they will prepare a proposed budget which will be submitted to the Council. The Council will hold a series of budget meetings where input on the budget can be proposed.

Chair Dorn commented that the City Council would not be acting on the budget until the end of May and noted that the Rent Program needs to let people know what the registration fee would be at the beginning of June.

Staff Ford responded that he would try to get the City Council to make its budget recommendation to the Rent Board at the Council's first meeting in May.

Chair Dorn suggested that the Board take a vote on the Column H, requested for the 2010-11 budget in the Services area and Supplies area.

Motion: It was moved (Hernandez) and seconded (Allen) to approve the requested 2010-11 Budget in the Services area and Supplies area. Motion passed unanimously.

- 5.3 Status update on tenant outreach and education-related services to be carried out by Community Legal Services (CLS)

Chair Dorn commented that the City Attorney was not present and he had not presented anything to the Education subcommittee.

Staff Lee reported that the City Council, at its February 16 meeting, approved a modified contract from Community Legal Services (CLS) in an amount not to exceed \$12,600.00 to provide training to tenants. The projection is for four workshops, beginning in March and ending in June 2010. The contract will be funded out of the General Fund. The proposed contract has been submitted to the City Attorney for review prior to City Manager approval.

- 5.4 Status update and possible action on tenant/landlord outreach and education-related materials – brochures

Chair Dorn noted that Board Member Hart was going to contact the bidders about the brochures. Item continued to next meeting.

- 5.5 Status update on negotiations with Page Mill receiver

Staff Lee reported he had not received any information from the City Attorney.

Chair Dorn asked staff to request that when the City Attorney is unable to attend a meeting his reports or information be given to the staff to present to the Rent Board.

- 5.6 Status update on RSO development process

Staff Lee reported that the City Council will hold a public hearing on March 2 regarding the Rent Stabilization Ordinance (RSO) with the expectation of taking action.

Board Member Allen added that the City Council is meeting to hear the California Environmental Quality Act (CEQA) report and take action.

11. COMMUNITY FORUM

Matthew Fremont, 1986 Euclid, commented that Assemblymember Tom Amiano introduced Assembly Bill 2337 relating to prohibiting CalPERS and CALSTRS from investing in Companies involved in Predatory Equity Schemes.

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) – No report
 - 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 reported that Staff Ford would be bringing a report to the Rules and Regulations Committees on changes to Rules 1000 and 1600.

Staff Lee asked whether the Board wanted staff to schedule another Outreach and Education Committee meeting.

Chair Dorn recommended that a meeting be scheduled within the next two weeks with a presentation by the City Attorney.

Staff Ford reported that staff is currently dealing with appeals from five landlords on rent certificates which may or may not go to the Hearing Examiner. The landlords are disagreeing with the amounts on the certificate.

Board Member Mitchell announced that he would not be at the next Board meeting.

10. ADMINISTRATIVE ITEMS

11. WRITTEN COMMUNICATIONS

13. RECOMMENDATIONS FOR FUTURE ACTIONS AND AGENDA ITEMS

Chair Dorn summarized items for the next agenda include mission statement, budget information from Staff Lee, and progress on appeals.

Board Member Webster asked for an item to be agendaized relating to consideration of a letter of commendation to the principles of the Fair Rent Coalition.

14. ADJOURNMENT

Upon motion (Mitchell) and second (Hernandez), the meeting adjourned at 9:21 p.m.