

**CITY OF EAST PALO ALTO  
RENT STABILIZATION BOARD MEETING  
WEDNESDAY, MAY 19, 2010  
2415 UNIVERSITY AVENUE  
City Council Chambers  
EAST PALO ALTO, CA  
Minutes**

**1. CALL TO ORDER**

The meeting was called to order by Chair Dorn at 7:11 p.m.

**2. ROLL CALL**

Board Members Present:	Dorn, Randolph, Mitchell, Hart
Board Members Absent:	Webster
Board Alternates Present:	Allen
Board Alternates Absent:	
Staff Present:	Ford, Lee, Ewing

**3. APPROVAL OF AGENDA**

Board Member Allen recommended that item 12 be moved ahead of item ahead of item 6.

**Action:** It was moved (Allen) and seconded (Randolph) to moved item 12 ahead of item 6 and renumbered as item 5.a.

**4. APPROVAL OF MINUTES**

There were no minutes available for approval.

**5. AGENDIZED ITEMS FOR POLICY AND ACTION**

5.1. Discussion of and possible recommendation for FY2010-2011 Rent Stabilization Program Operating Budget

Staff Lee reported receiving information this afternoon from Stephanie Osaze that will be put into the City's budget. The budget document is currently being printed and will be forwarded to the City Council by Friday.

Chair Dorn pointed out that Salary and Wages had increased by \$135,750 from the current year which was for the staff member recommended by the Peer Review. She questioned the \$50,000 increase in Legal Services.

Staff Lee responded that the City Attorney would be able to provide comment on the services provided by the two law firms identified on page 3 of the document.

Board Member Allen asked about the Advertising budget.

Staff Ford commented that the Advertising budget is for legal notices.

Board Member Allen suggested the amount be doubled because the new Rules and Regulations will have to be published.

City Attorney Ewing was unable to respond to why the Legal Services budget had increased. He indicated he could talk to the City Manager to find out what the budget had increased.

Chair Dorn added that she would contact Stephanie Osaze to find out about the increase. She noted the increase in Miscellaneous Professional Services of \$26,000 more for Community Law Services (CLS) for tenant outreach, which was reasonable. She asked whether the \$7,000 increase to Other Technical Services included the Hearing Examiners.

Staff Lee said that was correct and it also included the Minutes Transcriber.

Board Member Allen raised a question under **Personnel** and asked whether the amount included Mr. Ford's position.

Staff Lee responded that was correct.

Board Member Allen expressed concern that the last page indicated, "Rent Stabilization Administrator."

Staff Lee explained that it was a place holder title because the position has not gone through the entire Human Resources process.

Chair Dorn referred to the Software item which only listed \$25,000; her understanding the cost to go with Redwood City would be \$30,000.

Staff Lee indicated that the budgeted amount should be changed to \$30,000.

Board Member Allen referred to the amount on the bottom of page 2 and asked staff what the per unit price for registration fees would be.

Staff Lee pointed out that if the Board wants the \$30,000 number rather than the \$25,000 for Software, the amount on the bottom of page 2 should be increased by \$5,000.

Staff Ford explained that the 200 federally funded developments should be taken from the total units, which brought the total down to 2,400 units. The registration fee from that amount was estimated to be \$291.

Board Member Allen pointed out that the amount the prior year would have been \$240 per unit but since the City Manager kicked in an additional amount at the last moment, the registration fee was lowered to \$217.

Staff Ford explained that if the additional 60 Page Mill units were added, the amount would be \$284.

**Motion:** It was moved (Mitchell) and seconded (Randolph) to adopt the FY2010-2011 Rent Stabilization Program Operating Budget, as amended. (Changes include \$5,000 added for Software and \$2,500 added to Advertising.) Motion passed with one abstention (Allen).

Board Member Allen explained his abstention was because he felt the Board should rethink the necessity for the Administrator position.

Staff Lee reported that the Council's first budget meeting will be May 26, and his presentation is scheduled for June 9.

## 5.2 Discussion of April 2010 Consumer Price Index and possible adoption of RS program 2010 - 2011 Annual General Adjustment

Staff Ford referred to a memo he prepared for the Board and pointed out that an increase was not being recommended. He provided information for the current year and the prior year which measured the change between the years. The Consumer Price Index (CPI) for All Urban went up by 1.7% and the CPI for Residential Rent Shelter went down by .5%. The ordinance indicates that the lower amount becomes the Annual General Adjustment (AGA). He did not recommend a negative AGA; staff recommended a zero percent AGA.

Board Member Allen presented a handout that lists All Urban items and Housing, Shelter, Rent of Primary Residence and shows the percent change from 2009.

**Motion:** It was moved (Mitchell) and seconded (Allen) to adopt the staff recommendation regarding the Annual General Adjustment of no increase based on the Housing, Shelter, Rent of Primary Residence Index and staff recommendation. Motion passed unanimously.

Board Member Allen said he hoped that the letter that goes out from the Chair would provide the rationale to the property owners as to why there is no positive AGA.

Staff Ford responded that he expected that would occur along with an explanation that the increase in the Registration fee is to provide the Rent Stabilization Board with a new position (Administrator/Analyst) and pay for an updated computer automation system.

## 5.a (old 12.) **COMMUNITY FORUM**

There were no members of the community present to speak.

## 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:

Board Member Hart reported that Wells Fargo is working closely with Bridge Housing and have scheduled meetings at Willow Oaks Elementary School.

City Attorney Ewing suggested that, assuming that the ordinance passes, he would seek direction from the Board to begin drafting the regulations that would go with the ordinance.

a. Operational Excellence (**Allen**, Mitchell) – No report

b. Outreach/Education (**Dorn** & Hart)

Board Member Hart reported that the Outreach/Education Committee received a copy of the brochure from Robert Esparza, which he shared with the Board. He explained the minor changes that were necessary. The brochure will be brought back to the Board following the June 8<sup>th</sup> election.

Chair Dorn added that the Committee discussed the possibility of two brochures for landlords; one on discrimination and one on applications with someone with a criminal conviction background.

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

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

**10. ADMINISTRATIVE ITEMS**

**11. WRITTEN COMMUNICATIONS**

**13. RECOMMENDATIONS FOR FUTURE ACTIONS AND AGENDA ITEMS**

**14. ADJOURNMENT**

Upon motion by Director Mitchell, seconded by Director Hart, the meeting adjourned at 8:12 p.m.