

MINUTES OF THE SPECIAL CITY COUNCIL MEETING  
TUESDAY- -FEBRUARY 16, 2016- -6:00 P.M.

Mayor Spencer convened the meeting at 6:03 p.m.

Roll Call – Present: Councilmembers Daysog, Ezzy Ashcraft, Matarrese, Oddie and Mayor Spencer – 5.

[Note: Councilmember Ezzy Ashcraft arrived at 6:08 p.m.]

Absent: None.

The meeting was adjourned to Closed Session to consider:

(16-060) The City Council met in Closed Session to discuss: Public Employee Appointment / Hiring Title / position to be filled: City Manager.

Following the Closed Session, the meeting was reconvened and Mayor Spencer announced by a vote of 5 to 0, the City Council decided to release the following additional information concerning the selection of the community group members who participated in the selection process of the City Manager, Jill Keimach; as part of the City Manager recruitment, it was decided that the finalists should be interviewed by three groups: a community panel, representatives from the bargaining units and City Department Heads; the group interviews took place on December 4, 2015; the City Councilmembers each provided the names of two individuals they felt should participate in the selection process; three additional names were provided by the Interim City Manager to provide wider representation; the community members were selected as follows: Lisa Gabato Morse and Gerald Bryant were selected by Mayor Spencer; Debra Turnage and Jesus Vargus were selected by Vice Mayor Matarrese; Dan Tuason and Rueben Tilos were selected by Councilmember Daysog; Alison Greene and Reverend Michael Yoshii were selected by Councilmember Ezzy Ashcraft; Phong La and Dania Alvarez were selected by Councilmember Oddie; Mark Sorenson from the Chamber of Commerce, Doug Biggs from the Social Service Human Relations Board and Alameda Point Collaborative and Gia Sneider from the Alameda Point business Natel were selected by the Interim City Manager.

Adjournment

There being no further business, Mayor Spencer adjourned the meeting at 6:26 p.m.

Respectfully submitted,

Lara Weisiger  
City Clerk

The agenda for this meeting was posted in accordance with the Sunshine Ordinance.

MINUTES OF THE SPECIAL CITY COUNCIL MEETING  
TUESDAY- -FEBRUARY 16, 2016- -6:30 P.M.

Mayor Spencer convened the meeting at 6:38 p.m. and led the Pledge of Allegiance.

ROLL CALL - Present: Councilmembers Daysog, Ezzy Ashcraft, Oddie and Mayor Spencer – 4.

Absent: Vice Mayor Matarrese – 1.

AGENDA ITEM

(16-061) Resolution No. 15118, “Authorizing the Issuance of City of Alameda Community Facilities District (CFD) No. 13-1 (Alameda Landing Public Improvements) 2016 Special Tax Bonds in an Amount not to Exceed \$18,000,000; Approve Certain Documents in Connection with the Sale and Issuance of the Bonds; and, Authorize the Interim City Manager or Her Designee to Execute the Documents and Take All Related Actions in Connection With the Sale and Issuance of the Bonds.” Adopted.

The Community Development Director gave a brief presentation.

Councilmember Ezzy Ashcraft moved adoption of the resolution.

Councilmember Oddie seconded the motion, which carried by unanimous voice vote – 4. [Absent: Vice Mayor Matarrese – 1.]

ADJOURNMENT

There being no further business, Mayor Spencer adjourned the meeting at 6:42 p.m.

Respectfully submitted,

Lara Weisiger, City Clerk

The agenda for this meeting was posted in accordance with the Sunshine Ordinance.

MINUTES FOR THE REGULAR CITY COUNCIL MEETING  
TUESDAY- -FEBRUARY 16, 2016- -7:00 P.M.

Mayor Spencer convened the meeting at 7:04 p.m.

ROLL CALL - Present: Councilmembers Daysog, Ezzy Ashcraft, Matarrese, Oddie and Mayor Spencer – 5.

Absent: None.

AGENDA CHANGES

None.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(16-062) Proclamation Declaring February 2016 as Teen Dating Violence and Prevention Awareness Month.

Mayor Spencer read and presented the proclamation to Jessica Rogers, Building Futures with Women and Children.

Ms. Rogers and members of Youth Educating and Advocating for Health (YEAH): Julie Garner, Liz, and Ryan spoke on teen violence and thanked the City of Alameda for supporting healthy relationships for teens.

(16-063) Mayor Spencer did a reading regarding “Respect” as part of the Season for Non-Violence.

ORAL COMMUNICATIONS, NON-AGENDA

(16-064) Brian McGuire, Alameda, expressed concerns over the speed limit and the number of pedestrians being hurt or injured.

(16-065) Harold Demmon, Alameda, stated there is a need for a traffic signal at McCartney Road and Island Drive; he would like to circulate a petition on the matter.

CONSENT CALENDAR

Vice Mayor Matarrese requested that the resolution regarding Island City Landscaping and Lighting District 84-2 [paragraph no. 16-069] be removed from the Consent Calendar.

Councilmember Oddie moved approval of the remainder of the Consent Calendar.

Councilmember Ezzy Ashcraft seconded the motion, which carried by unanimous voice

vote – 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(\*16-066) Minutes of the Special and Regular City Council Meetings Held on January 19, 2016. Approved.

(\*16-067) Ratified bills in the amount of \$7,902,761.91.

(\*16-068) Recommendation to Award a Contract in the Amount of \$118,320, Including Contingency, to Ray's Electric for the Alameda Ferry Terminal Access Improvement Project. Accepted.

(16-069) Resolution No. 15119, "Appointing an Engineer-of-Work and an Attorney-of-Record for Island City Landscaping and Lighting District 84-2." Adopted.

Vice Mayor Matarrese and Councilmember Daysog recused themselves and left the dais.

Councilmember Oddie moved adoption of the Resolution.

Councilmember Ezzy Ashcraft seconded the motion, which carried by unanimous voice vote – 3. [Absent: Councilmember Daysog and Vice Mayor Matarrese – 2.]

(\*16-070) Resolution No. 15120, "Appointing an Engineer-of-Work and an Attorney-of-Record for Maintenance Assessment District 01-1 (Marina Cove)." Adopted.

(\*16-071) Ordinance No.3147, "Approving a Lease and Authorizing the City Manager to Execute Documents Necessary to Implement the Terms of a 5-Year Lease with Dreyfuss Capital Partners, a California Limited Liability Company, for Building 29 Located at 1701 Monarch Street at Alameda Point." Finally Passed.

## REGULAR AGENDA ITEMS

(16-072) Summary title: Consider: 1) An Ordinance regarding Rent Review, Rent Stabilization and Limitations on Evictions, Amending the Duties of the Rent Review Advisory Committee (RRAC), and Deleting the Current Article XIV to Chapter VI regarding Rent Review, 2) A Resolution Adopting Policy Concerning Capital Improvement Plans (CIP), and 3) An Appropriation of Funds.

Introduction of an Ordinance Amending the Alameda Municipal Code by Adding Article XV to Chapter VI Concerning (A) Review of Rent Increases Applicable to All Rental Units and Rent Stabilization Applicable to Certain Rental Units and (B) Limitations on Evictions and the Payment of Relocation Assistance Applicable to All Rental Units; (C) Amending Section 2-23.4 Concerning the Duties of the Rent Review Advisory Committee; (D) Deleting Article XIV to Chapter VI in Its Entirety; and (E) Determining that Introduction of the Ordinance is not a Project under the California Environmental

Quality Act (CEQA) or, if It is a Project, It is Exempt under CEQA. Introduced;

(16-072A) Adoption of Resolution Adopting Policy Concerning Capital Improvement Plans; Not heard; and

(16-072B) Appropriation of \$300,000 from the General Fund to Fund a Rent Program Fee Study and to Cover the Cost to Administer the Rent-Related Programs through June 30, 2016. Not heard

The Community Development Director gave a Power Point presentation.

Councilmember Ezzy Ashcraft inquired whether the City is addressing properties with less units, not only buildings with 50 or more units.

The Community Development Director stated the database used was created by Real Facts, which collects data on properties with 50 or more units.

Councilmember Ezzy Ashcraft inquired whether the City has no information on properties with less than 50 units, to which the Community Development Director responded in the affirmative; stated properties with over 50 units make up approximately 17% of the City's rental stock; continued the presentation.

Mayor Spencer inquired whether room rentals in single family homes are exempt.

The Community Development Director responded according to State law, a person renting a room in a house is considered a lodger, not a tenant.

Mayor Spencer inquired whether the RRAC process would apply to a room rental if a tenant receives a significant rent increase or if the City preempted by State law from providing relief for that tenant.

The Community Development Director responded the City is exempting room rentals and the RRAC process would not be available to lodgers under the ordinance.

Mayor Spencer inquired whether the matter could be brought back if there is a need to provide relief for room rental tenants, to which the Community Development Director responded in the affirmative; continued the presentation.

Mayor Spencer inquired how many days the parties have to appeal the RRAC decision, to which the Community Development Director responded 15 days.

Councilmember Oddie inquired whether there will be a provision in the ordinance where, if the landlord and tenant agree to a rent increase over the 5%, they do not have to go through the hearing process.

The Community Development Director responded in the affirmative; stated if the tenant does not agree with the increase over 5%, then a hearing would be set.

Mayor Spencer inquired whether it would be a binding hearing with a hearing officer as opposed to binding arbitration.

The Community Development Director responded when two parties agree to binding arbitration, they forgo the opportunity to access judicial review; stated the ordinance is set up to allow judicial review.

Councilmember Ezzy Ashcraft inquired if the binding hearing is an actual proceeding where the parties give testimony.

The Assistant City Attorney responded in the affirmative; stated it is an administrative hearing in front of a hearing officer; a party dissatisfied with the outcome could file a writ of mandate; a Superior Court Judge would review the administrative record; there is a level of review the trial court judge would review to determine if the decision of the hearing officer should stand, be reversed or modified.

The Community Development Director continued the presentation.

Mayor Spencer inquired whether the offer of a one year lease to in-place tenants would be only if the landlord increases the rent.

The Community Development Director responded in the affirmative; for tenants on month-to-month, stated tenants with a lease would be offered a new lease 60 days prior to the expiration of the current lease.

Mayor Spencer inquired whether the ordinance is for two scenarios only: brand new tenants or an in-place tenant when rent is increased.

The Community Development Director responded a lease would be offered to in-place tenant 60 days prior to the date of the expiration of the lease or when the rent is increased.

Mayor Spencer expressed concern over the provision contradicting Council's direction. .

The Community Development Director continued the presentation.

Councilmember Oddie inquired if tenants would still have to pay rent if they choose 4 months' time over cash assistance.

The Community Development Director responded in the affirmative and continued the presentation.

Mayor Spencer inquired if there was a way to enforce having the tenant leave on the date of the agreement.

The Community Development Director responded the tenant would be paid 50% of the relocation benefits and sign a form agreeing to leave on a certain date; the balance would be paid on the date the tenant moved out.

Mayor Spencer inquired whether it would be enforceable as a stipulated judgement.

The Community Development Director stated the form would encourage each party to seek their own legal counsel; the form would be strongly worded to indicate the tenant is obligated to leave the unit.

Mayor Spencer inquired what avenue the landlord would have to enforce having the tenant leave on the date certain.

The Assistant City Attorney responded the landlord would be able to utilize the form to file an unlawful detainer or small claim to recover money.

Mayor Spencer inquired how long the unlawful detainer process would take.

The Assistant City Attorney responded the process is quick; stated it would depend on the type of action.

Mayor Spencer stated that she thought there could be a stipulated judgement if a problem arises; inquired whether legal counsel's opinion is that a stipulated judgement is not possible.

The Assistant City Attorney responded the City would have to figure out how to frame it to make it enforceable as Mayor Spencer described.

Councilmember Daysog inquired if someone has a stand-alone granny flat at their residence and they want to move in their family member, are they required to pay up to 4 months of relocation assistance.

The Community Development Director responded in the affirmative; stated for an owner move in or government orders to vacate there is no option to extend time in lieu of money.

Councilmember Ezzy Ashcraft inquired whether the types of leases the parties entered in to would trigger a relocation fee.

The Community Development Director responded if a clause in the lease allows the lease to go to month-to-month it would trigger; if there is a fixed term lease, the tenant would not be entitled to relocation benefits.

Mayor Spencer inquired whether an irrevocable notice of termination with a date certain would address having tenants comply with moving out in a more expeditious manner.

The Assistant City Attorney responded there still needs to be some sort of legal action for the person to leave.

Mayor Spencer inquired whether other cities pay 50% upfront.

The Assistant City Attorney responded in some cities an escrow account is set up.

Mayor Spencer inquired if the purpose of the escrow account is to make sure the money is paid out when the tenant leaves the premises.

The Assistant City Attorney responded that an escrow account is a safeguard that conditions are satisfied.

Mayor Spencer inquired if there are safeguards.

The Assistant City Attorney responded paying 50% up front is to allow the tenant to find another location and provide first and last month's rent.

Mayor Spencer stated an escrow account provides a safeguard; inquired what is the City's safeguard.

The Assistant City Attorney responded that the tenant should abide by what they are supposed to do.

Mayor Spencer inquired whether the money could be paid all at once when the tenant vacates.

The Assistant City Attorney responded the ordinance could be set up that way.

Mayor Spencer inquired whether other jurisdictions pay all at once as a safeguard.

The Assistant City Attorney responded that he is not aware of any jurisdiction paying it all at once, but he has not researched all jurisdictions across the State.

Councilmember Ezzy Ashcraft stated there are expenses for a tenant when moving; hopefully, both sides come to the table in good faith.

The Community Development Director continued the presentation.

In response to Mayor Spencer's inquiry regarding the CIP amount, the Community Development Director stated substantial rehabilitation is improvements to a building intended to prolong the life of the building; if tenants are going to be evicted, the repairs should be substantial.

Mayor Spencer inquired where the 8 times comes from.



The Community Development Director responded the CIP is modeled after the City of Los Angeles; the Community Development Director continued the presentation.

Councilmember Oddie inquired whether there is an option where the tenant can come back after being temporarily relocated if the tenant wants to stay and pay the rent increase.

The Community Development Director responded temporary relocation is only available if there is an available unit on site; continued the presentation.

Mayor Spencer inquired whether there is an estimate of the cost of the program fee analysis.

The Community Development Director responded the City is recommending \$300,000 of General Fund money to run the program until June 30<sup>th</sup> and to fund the fee study.

Mayor Spencer inquired whether the cost of the fee study is \$50,000, to which the Community Development Director responded in the affirmative.

Mayor Spencer inquired if a fee is not assessed would the fee study be required, to which the Community Development Director responded in the negative.

Councilmember Ezzy Ashcraft inquired whether the program would be funded out of the General Fund, to which the Community Development Director responded in the affirmative.

Councilmember Ezzy Ashcraft inquired whether the \$300,000 is being appropriated to cover the program until a source of funding is in place.

The Community Development Director responded in the affirmative; stated the City would be adopting a new program and funding it out of the General Fund for 3 to 4 months the program fee could be effective at the start of the new fiscal year tied to business licenses.

Councilmember Ezzy Ashcraft inquired if the General Fund would be refunded, to which the Community Development Director responded in the negative; continued the presentation.

Mayor Spencer inquired about the difference in the program fee between Alameda and other cities.

The Community Development Director responded Oakland is looking to increase their fee to \$100 to \$110 per unit because they are overwhelmed by cases and understaffed.

Mayor Spencer inquired why Hayward is \$100 a unit.

The Community Development Director responded Los Gatos and Hayward do not deal with eviction protection or relocation; stated Hayward sets its fee on the number of complaints received.

Mayor Spencer inquired whether Los Gatos and Hayward do not offer relocation assistance, to which the Community Development Director responded in the affirmative; stated neither city puts limitations on evictions; continued the presentation.

Mayor Spencer inquired when the City would be involved in legal action.

The Community Development Director responded if the City took action to enforce the ordinance or if the City were sued.

Councilmember Ezzy Ashcraft stated she would like to see the City consider hiring outside counsel because the City does not pay benefits.

The Community Development Director responded there are still a lot of unknowns; she concluded the presentation.

Councilmember Daysog stated that he has amendments; inquired when he could raise them.

Mayor Spencer responded the speakers should be allowed to go first.

Councilmember Ezzy Ashcraft stated that she has concerns regarding the Sunshine Ordinance because the Council was just handed the document today.

Mayor Spencer stated making substantial changes to the document would not be considered a first reading and the ordinance would need to come back at the next meeting for a first reading.

The Assistant City Attorney stated Mayor Spencer is correct; only clarifying changes could be made and voted on tonight.

Councilmember Daysog stated that he has substantive changes; he does not see the difference in making his substantive changes now versus having prepared them ahead of time.

Councilmember Oddie stated the provisions have already been approved by the Council by consensus; unless in the majority, a member cannot move to reconsider items.

### Renters:

Read a story about a tenant facing a rent increase; stated Alamedan's for Fair Rents conducted a sham survey; expressed that he disagrees with Councilmember Daysog's amendments;\_Monty Heying.

Stated a burden is being placed on tenants due to rising rents; tenants are being forced to move out of town: Sammy Gutierrez, Filipino Advocates for Justice (FAJ) and Bayanihan Youth Group (BYG).

Requested equal protection for renters; urged Council to fight for the rights of the members in the community: Erin Subido, FAJ and BYG.

Stated that she wants to see Alameda remain diverse; rising costs of rent will force many low income families out of Alameda: Cynthia Bonta, Alameda.

Stated seniors and families with children will need more time and more money to find homes; realtors benefit from high turnover, but the City will not; stated 5% is 3 times the Bay Area Consumer Price Index (CPI) for housing: Catherine Pauling, Alameda Renters Coalition (ARC).

Expressed concerns regarding what the RRAC considers a fair rent increases; stated property owners of Victorian homes should not pass the cost of maintenance onto tenants; the RRAC should be allowed to recommend rent increases less than 5%; requested 90 day notice to the public be required before sun-setting of the ordinance: John Klein, ARC.

Stated that she is on social security and rent increases have made her rent more than her income; urged Council to protect seniors and the disabled whose income does not increase every year; stated rent increases should be tied to the CPI: Toni Grimm, Alameda.

#### Housing Providers:

Stated that she has not raised rents in three years; she cannot afford to upgrade her property; urged Council to exempt mom and pop landlords: Margaret Tong.

Stated property owners deserve equality; rental limitation laws will not benefit anyone: Susan Gao.

Stated the landlords propose establishing a trust fund committee with input from tenants and landlords; urged Council to give the landlords a chance to come up with another alternative; requested small mom and pop landlords be exempt: Bill Kwok.

Urged creating a trust fund program instead of a rent ordinance; stated tenants could apply for assistance in the case of hardships; the City can do an annual review of the program; the trust fund would protect tenants against bad landlords and cost less than the rent limitation program: Jackie Huynh.

Stated tenants and housing providers do not like the ordinance; it should be handled case by case and not penalize all housing providers; the ordinance makes owning rental

property in Alameda difficult and everybody would be unable to make necessary renovations: Phoebe Yu.

Stated the ordinance will make tensions worse between tenants and landlords; enforcement is extremely complicated; with rent control, housing providers will be forced out of Alameda: Malcolm Lee.

Stated that she opposes the rent ordinance; suggested establishing a trust fund for relocation purposes; urged exempting all duplexes and small mom and pop landlords: Fannie Mak.

Stated the CIP will not work for historic homes because of renovation costs; the CIP does not take into account all costs: Daniel Lee.

Stated her tenants are paying below HUD rates; the rights of a housing provider compared to a tenant are very limited: Patricia Bird.

Neutral:

Stated the City is facing a major housing crisis with limited supply; landlords and tenants should have a strong partnership because they cannot exist without each other: Carl Chan.

Harold Demmon, Alameda, addressed the Council, but intended to speak under Oral Communications; refer to Oral Communications for his comments.

Stated this issue is very confrontational; he would like tenants and landlords to get together to come up with a solution: Robert Schrader, Alameda.

Stated more data is needed: Carl Chan on behalf of Dennis Wong.

Stated the relocation costs that landlords have to pay are too high; the age of the home and the situation of the housing provider should be taken into account: Don Scellato, Alameda.

Stated a lot of her friends have had to relocate out of Alameda because of rising rents; urged Council to develop a program to keep everyone in check: Debra Arbuckle, Alameda.

Renters:

Stated that he is very disappointed with Councilmember Daysog's amendments; the reason everyone is here is because landlords have created a crisis by raising rents and evicting tenants: Eric Strimling, Alameda.

Urged Council to pass the ordinance without Councilmember Daysog's amendments

because at least it is something: Jason Buckley, Alameda.

Stated her rent has increased every year by \$100; she is a senior on a fixed income: Eugenie Thompson, Alameda.

Urged Council to set a cap on rent increases tied to the CPI: Maria Dominguez, Alameda.

Stated the rent threshold should be tied to the CPI; the CIP should not create a temporary loophole for paying relocation fees; businesses do not have a right to profit: Malia Vella, Alameda.

Stated tenant protections and no cause evictions are popular with voters; the annual rent increase should be 65% of the CPI: Dan Horper, Tenants Together.

Stated the ordinance does not stabilize rent or the community; that he is disappointed with Councilmember Daysog's amendments; cap should be based on the CPI: Jon Spangler, Alameda.

Stated only a few landlords have taken advantage; people should work together; tenants are requesting fairness to allow them to stay in the community: Jen Strongin, Alameda.

Stated the job of the City Council is to protect citizens; the Council must find that balance to protect everyone involved: Unknown.

Housing Provider:

Stated that she agrees with Councilmember Daysog's proposal of a cumulative cap; all mom and pop units should be exempt; tenants should have to qualify for relocation assistance; trust fund proposal would be cheaper to implement: Rosalina Fortuna.

Stated the rent control ordinance is not a good idea; housing providers cannot afford to keep up their properties; expressed support for the trust fund proposal: Eunice Edwards, Alameda.

Stated the trust fund proposal and having the tenants and landlords work together is a good idea; what is proposed is too black and white: Richard Santini, Alameda.

Stated there are only a handful of landlords that have caused this problem: Jim Smallman, Alameda.

Stated the ordinance does not address CEQA; rising costs for landlords cannot be covered by a 5% cap; stated more data is needed to figure out a solution: Former Councilmember Barbara Thomas, Alameda.

Stated notices should have been sent out to inform the public about rent control; everyone should not be put in the same box; all landlords should not have to suffer for a select few: Lawrence Quintero.

Thanked Council for their work: Ken Gutelaben, Alameda.

#### Renters:

Stated if there are problems with the ordinance, nothing prevents the Council from making modifications; urged Council to give the ordinance a chance to work: Brian McGuire, Alameda.

Stated he loves Alameda and would like to stay here but is being evicted by a mom and pop landlord: Ed Dickson, Alameda.

#### Neutral:

Stated there has been a failure to act on the part of the Council; tenants have been experiencing displacement since 2004; there needs to be a comprehensive housing strategy instead of responding to crisis: Rasheed Shabazz, Alameda.

#### Housing Providers:

Stated almost all of the rental stock is over 60 years old with buildings that need major repairs; owners need to be able to pay for renovations for the tenant's safety, comfort and quality of life; expressed evicting people for no cause evictions is difficult: Darlene Shaffer, Alameda.

Stated both tenants and landlords are suffering; landlords are being punished: Uland Wong.

Stated the data used by the City was for apartments with over 50 units; there is a difference between mom and pop and corporate landlords; legislation is one size fits all; the ordinance would limit landlord's income yet increase their expenses: Margaret Duggan, Alameda.

Stated he is a mom and pop landlord; the rent ordinance fails to protect the people it was set up to protect; he is confused about the statements from landlords regarding the impact the ordinance will have on their lifestyle, when the same landlords are saying they never raise their rents or evict tenants; some Councilmembers are trying to reduce the housing supply and limit the free market: John Knox White, Alameda.

Stated the ordinance needs substantial changes; landlords also struggle to make ends meet; urged the City to build more senior and affordable housing to solve the housing crisis; stated the CIP should be reconsidered; landlords would have to pay for the ordinance: Jane Wei, Alameda.

Stated having a RRAC case on every rent increase above 5% is going to cause a problem; good relations between landlords and tenants is vital to all parties; urged another solution be found: John Sullivan.

Stated the rents all over the Bay Area are high; the supply is not enough for the demand; she opposes rent control: Sen Lon Chow.

Stated with rent control Alameda will no longer be a nice city: Xiao Lan Li.

Stated real estate is one type of investment; rent control is robbing owners who are already taking an enormous risk: Meina Young.

Stated the ordinance will create animosity between tenants and landlords; urged letting RRAC work; stated a study needs to be done on where rents should be: Lester Cabral.

Stated the eviction process takes 1 to 7 months; the rent ordinance is not fair; attorneys are expensive; there is a penalty for landlords but no penalty for tenants; expressed support for the trust fund proposal to help low income tenants: Zong Li.

Stated the worst thing to do is to do nothing; urged Council to not allow a CPI rent increase or a 20% rent increase, but to find something in the middle: Greg McConnell.

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(16-\_\_\_) Vice Mayor Matarrese stated he would like to hear the rest of the speakers, then continue the deliberation to a date certain.

Councilmember Ezzy Ashcraft stated if the meeting is continued after the speakers have finished, it would be only for Council deliberation; she agrees with Vice Mayor Matarrese.

Councilmember Oddie inquired how many speakers are left; stated that he would rather keep going with the meeting since there are not many more speakers.

Councilmember Daysog stated with 17 speakers, he feels there is enough time for the speakers and Council deliberation.

Mayor Spencer stated her position is to just get the work done.

Vice Mayor Matarrese moved approval of continuing to hear the speakers and set the deliberation at a date certain.

Councilmember Ezzy Ashcraft suggested the motion be modified to go until midnight, then continue to a date certain.

The motion FAILED for lack of a second.

Councilmember Oddie moved approval of continuing the meeting

Councilmember Daysog seconded the motion, which carried by the following voice vote:  
Ayes: Councilmembers Oddie, Daysog and Mayor Spencer – 3. Noes: Ezzy Ashcraft and Vice Mayor Matarrese – 2.

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Stated that he strongly supports the moratorium, but does not support the ordinance:  
Steve Sorenson, Alameda Association of Realtors.

Stated the ordinance would force him to sell his rental property; urged Council to think of property owners: Emery La Pine.

Stated tenants have cost her a lot of money; expressed support for the trust fund proposal: Nancy Gordon, Alameda.

Stated property values will go down with the ordinance; some of her tenants make more money than she does; the government should fund Section 8 and build more housing:  
Anne Harris, Alameda.

Stated all parties are not happy with the ordinance; urged Council to keep working on the ordinance; stated her rental property is her retirement: Lori Moe.

Stated there is a lot of work that still needs to be done; the rent he receives is his retirement and the ordinance will not allow him to have enough to survive: Jose Jazmine.

Stated the relocation assistance program should be means tested; the ordinance will put a lot of mom and pop landlords out of business: Karen Bey, Alameda.

Stated the proposed ordinance is an overreaction to abuses by a few large landlords; the small mom and pop landlords should be exempt; expressed support for the trust fund proposal: Tom Galt, Alameda.

Expressed support for the trust fund proposal; stated the City is expropriating the assets of small business owners; there should be a means test to see which tenants need the assistance: Keith Weitzen.

Stated Oakland and Berkeley have exemptions for owner occupied buildings with 2 to 4 units; his property is renting for below market rate; if the ordinance is passed, landlords will be forced to keep raising rents until they sell their properties: Kurt Braun.

Stated landlords believe in affordable housing for those who need it; there should be a means test to determine who needs the assistance; owner occupied units should be exempt from eviction control: Adrienne Lakadat.



Stated her tenants make more than her combined family income; urged Council to exempt small mom and pop landlords: Gail Paul.

Stated the ordinance is putting regulations on the free market: Jew Lon Mien.

Stated both sides do not agree with the ordinance; urged Council to come back with something better: Catherine Behringer.

Stated there is consensus between tenants and property owners; no one agrees with the ordinance; the City is trying to tell landlords how to handle their retirement; urged coming up with a larger solution to affordable housing: Joshua Howard, California Apartment Association.

Stated that she supports rent control; the protections should apply to all residence in Alameda: Cynthia Atases, Alameda.

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Mayor Spencer called a recess at 11:33 p.m. and reconvened the meeting at 11:49 p.m.

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Mayor Spencer stated there are many good landlords and good tenants; she feels the solution will bring people to the table and RRAC can resolve it; 85% of the RRAC cases are resolved; preference would be to have a unanimous vote; every Councilmember has an opportunity to express concerns; something needs to be done; tonight is a first reading; inquired if there is any reason to focus on the Whereas sections of the ordinance.

The Assistant City Attorney stated all ordinance language is important.

Mayor Spencer inquired whether CEQA is required for the historical homes.

The Assistant City Attorney stated historic homes may cost more to maintain, Council can take into consideration; however, there is no impact to the environment.

Mayor Spencer requested the word to "landlord" be substituted for "housing provider."

Councilmember Oddie stated that he has no objection.

Councilmember Ezzy Ashcraft stated that she has no objection.

Vice Mayor Matarrese stated that he has no objection.

Mayor Spencer inquired whether the offer of a one year lease is available in two scenarios: new tenants and existing tenants upon a rent increase; questioned the wording in Subsection 6-58.35.B.

The Community Development Director responded in-place tenants could have a lease or be month-to-month; the first time the tenant gets a rent increase would be the point where a lease would be offered; if on a lease, a new lease would be offered at the termination of the existing lease.

Mayor Spencer inquired where it says there is going to be a rent increase; if there is not going to be a rent increase, another year lease should not be offered.

The Community Development Director responded it is the timing of the offer of the lease.

Mayor Spencer inquired if the rent is not being increased, why should the landlord have to offer another year.

The Community Development Director clarified that staff's understanding of the direction from Council was a one-time offer of a lease was to be offered to in-place and perspective tenants.

Mayor Spencer stated that she disagrees; she understood any perspective tenant would be offered a one year lease and in-place tenants would be offered a lease upon an increase in rent.

Councilmember Ezzy Ashcraft stated she also believes it was at the time of a rent increase being served.

Mayor Spencer stated if there is a rent increase, the landlord needs to offer a one year lease.

Councilmember Oddie requested clarification be added about whether there is a month-to-month or year lease when there is a lease offered.

Mayor Spencer inquired if it then becomes month-to-month.

Councilmember Oddie responded if there is no rent increase and the tenant does not accept a lease, it then becomes month-to-month.

Mayor Spencer inquired if the wording needs to be fixed in Subsection B to state: "when there is a rent increase."

The Assistant City Attorney responded language that the offer for a new lease would be in conjunction with the notice of rent increase could be added to Subsection B.

Mayor Spencer stated Subsection C regarding month-to-month leases includes the language.

The Assistant City Attorney stated similar language would be added to Subsection B.

Mayor Spencer stated said direction was given at the February 2<sup>nd</sup> meeting; Subsection B should include a provision regarding an increase in rent.

Councilmember Ezzy Ashcraft inquired whether the City would be forcing the landlord to raise the rent.

Mayor Spencer stated a landlord would be required to give an existing tenant an additional year, but would not get an increase in rent; Subsection B conflicts with Subsection C.

Councilmember Ezzy Ashcraft inquired whether a landlord offering a tenant another one year lease would incur relocation fees.

The Assistant City Attorney responded if there is a fixed term, the landlord will not be required to pay relocation benefits.

Councilmember Ezzy Ashcraft inquired if a one year lease is a fixed term, to which the Assistant City Attorney responded it can be.

Councilmember Oddie stated if a landlord wants to terminate a lease without cause, relocation benefits would be triggered.

Mayor Spencer stated if both sides agree to a one year term, as opposed to month-to-month, the landlord does not have to buy out the tenant.

Councilmember Ezzy Ashcraft stated the one year lease could be offered but the tenant could say they prefer month-to-month; inquired if Mayor Spencer's question is whether the landlord is required to offer a one year lease at the end of a lease without a rent increase.

Mayor Spencer inquired whether a lease that has an expiration date as outlined in Subsection B is a fixed term lease, to which the Assistant City Attorney responded in the affirmative.

Councilmember Daysog inquired whether someone entering into a fixed lease and decides to part ways at the end of the lease, does not trigger relocation assistance.

The Assistant City Attorney responded in the affirmative.

Councilmember Oddie stated that is not the direction Council gave.

Councilmember Daysog stated he previously indicated said provisions is how the Glendale model works; he does not want relocation assistance to trigger.

Mayor Spencer stated there are differences between fixed term leases versus month-to-month; inquired whether staff is saying landlords have to offer a second year without any rent increase; stated that she feels it substantially changes the relationship and is legally challengeable; the landlord is not getting any different consideration.

The Assistant City Attorney responded the landlord has to offer a lease whether or not there is a rent increase.

Mayor Spencer inquired what the consideration is for the other side; stated one side cannot be asked to give something without the other getting something.

The Assistant City Attorney responded the ordinance is rent review, rent stabilization and limitations on evictions; stated the Council has authority to enact the provision.

Councilmember Ezzy Ashcraft stated it is an added tenant protection.

Vice Mayor Matarrese inquired if a fixed term lease ending is not an eviction because the term is done and the contract is over, so relocation fees are not paid.

The Community Development Director responded in the affirmative; stated a fixed term lease means there is a 12 month lease; the evergreen clause in residential rental leases in California make leases automatically go month-to-month at the end of the lease with the absence of a new lease.

Councilmember Oddie stated the Council direction was to try to limit landlords from terminating tenancy at the end of a one year lease by requiring relocation benefits.

Councilmember Daysog clarified that he does not think relocation benefits should be offered at the end of a lease.

Mayor Spencer stated that she does not agree with there being a fixed term lease and the landlord having to offer a new lease at the end of that lease unless there is an increase in rent.

Councilmember Ezzy Ashcraft inquired whether language: "at which time a rent increase is served" would be added to Subsection B.

Mayor Spencer stated landlords can offer another year without a rent increase, but the City should not require landlords to offer another year for nothing.

Councilmember Ezzy Ashcraft stated the same language should be used as in Subsection C.

The Community Development Director stated Subsection B could be deleted and Subsection C could be changed to read any current tenant on a month-to-month or a

lease.

Councilmember Oddie stated Subsection B was specifically added because if the tenancy is terminated and relocation is triggered, there is no requirement to offer a lease.

The Community Development Director stated if notice is given that the landlord will terminate at the end of the lease period, relocation assistance does not need to be offered.

Councilmember Oddie stated the wording is not in Subsection B and is missing an expiration; the policy is not ongoing; it is a one year cooling off period.

Mayor Spencer inquired if Councilmember Oddie is referring to within a year of today's date.

Councilmember Ezzy Ashcraft stated there should be a clause to offer a one year lease in the first year following adoption of the ordinance.

The Assistant City Attorney stated placing said clause in the ordinance might be a conflict; if the offer of the first lease is tied with a rent increase, the notice may not happen in the first year.

Councilmember Ezzy Ashcraft inquired if Subsection B and C are going to be merged.

The Community Development Director stated Subsection B is going to be left as is and the phrase that the offer would be in conjunction with a rent increase would be added to Subsection C.

Mayor Spencer stated the landlord has to get something; only upon a rent increase, should landlords have to offer a one year lease.

Vice Mayor Matarrese stated tracking will be difficult.

Mayor Spencer stated a trust fund does not address the problem and does not help tenants; the ordinance is allowing no cause evictions but the tenant would get something in return.

Councilmember Ezzy Ashcraft stated the Housing Authority has proposed doing workshops and the first year will be a learning curve.

Mayor Spencer stated the housing provider must provide the program administrator, at the start of the new tenancy, the name and contact information, a copy of the lease, and the amount of the rent the new tenant will be charged; she is concerned with the name and address being public information; inquired how the City can protect the privacy of the new tenant.

The Assistant City Attorney stated the form that is going to be developed will state that the information is confidential according to Evidence Code Section 1040 and Government Code Section 6255 on the grounds that the privacy interest outweighing the public right to disclosure.

Mayor Spencer inquired if a challenge could be lost, to which the Assistant City Attorney responded in the affirmative.

Mayor Spencer stated if a challenge is lost, the information will be made public; she would rather not have the information because she does not want to disclose it.

Councilmember Ezzy Ashcraft stated the requirement is a protection for the tenant and is a way to verify requirements put in place.

Mayor Spencer stated the new tenant can find out the prior rent since it is public information and can file a complaint if they are being charged over the 5% increase; having information on a vacating tenant would be okay, but not on an incoming tenant.

In response to Councilmember Oddie's inquiry, the Assistant City Attorney suggested the amount of the rent for the new tenant be required.

Mayor Spencer stated the new tenant would know the cost of the new rent; they would need the amount of the prior rent to compare if their rent increase is exorbitant.

The Community Development Director stated the City needs to request the landlord to certify the amount of the new rent to know that they are not charging more than a 5% increase; the City could just request information on the amount of the rent increase at the time of the notice and the rent they propose to charge the new tenant.

Mayor Spencer stated the new tenant could always check the information and file a complaint if the increase exceeds 5%.

Councilmember Ezzy Ashcraft inquired why is there more expectation of privacy for a tenant than a homeowner or property owner.

Mayor Spencer stated a property owner can put their property in a trust or take steps to protect themselves; there should be a way to protect tenants with privacy issues.

The Community Development Director stated there were several emails from the public raising concerns about stalkers or domestic violence survivors.

Councilmember Ezzy Ashcraft agreed said reason is a good.

In response to Councilmember Ezzy Ashcraft's inquiry about protecting the old tenant, the Community Development Director stated only a copy of the notice of termination is

being requested.

Councilmember Ezzy Ashcraft inquired whether a redacted copy with the name blocked out could be submitted.

The Community Development Director responded the information could be collected and then the names be redacted when information is being made public.

Mayor Spencer stated she is fine with Subsection 6-58.140A2.

The Community Development Director stated the issue of redacting the name will be in the program guidelines; Subsection 6-58.140A2 could be expanded to read: "the housing provider must provide to the program administrator a copy of the notice to vacate served on the tenant and the amount of the rent in effect at the time the notice to vacate was served and the amount of the rent that the new tenant will be charged:" 6-58.140A3 would be deleted in its entirety.

Mayor Spencer agreed.

Councilmember Daysog stated the names and relevant information need to be collected; it is up to staff to protect the information.

Councilmember Oddie inquired if the landlord could redact the information before it is submitted.

The Community Development Director responded the underlying point is that the prospective tenant would not have a rent 5% higher than the in-place tenant; stated data must have the landlord state what the rent would be for the new tenant; the law says it cannot be more than 5% higher; the paperwork should be completed at the time of notice of termination.

Vice Mayor Matarrese inquired whether only the unit and rent amount are needed, names and phone numbers are not needed, to which the Community Development Director responded in the affirmative.

Mayor Spencer inquired if all are in agreement; all Councilmembers agreed.

Mayor Spencer stated the requirement for owner move in is a natural person who has at least a 50% interest as opposed to 10% or 33%; inquired where 50% came from.

The Assistant City Attorney responded the idea is that a human would be asking for the owner move in or owner's family move in; theoretically, a human being could own 25% interest and a corporation could own 75% interest.

Mayor Spencer stated she agrees with staff's proposal; inquired if everyone agrees with staff's proposal.

Councilmember Daysog inquired how the 50% ownership would be verified.

The Assistant City Attorney responded the housing provider needs to provide documentation that the person qualifies as a housing provider; a copy of the vesting deed could be used for the program administrator to verify it is a human being.

Mayor Spencer inquired if everyone is in agreement.

Councilmember Daysog inquired if in the case of a landlord wanting to move a relative into a granny flat or a cottage in the back of the house, who would be responsible for showing proof of being the owner, the landlord or the person moving in.

Councilmember Ezzy Ashcraft responded in said case, they would be just the enumerated relative and not need to show proof.

Mayor Spencer stated that she is going to skip over the relocation part and come back to it because it seems complicated.

Councilmember Oddie disagreed; stated what is stated is clear; if the housing provider has taken an action to terminate tenancy on the grounds set forth in Subsection 6-58.150A, of no cause with the limitations.

The Assistant City Attorney inquired if the concern is Subsection A does not cover the situation of a fixed term lease ending.

Councilmember Oddie questioned why impose limits on no cause evictions if every person on a one year lease will be terminated; stated landlords wanted no cause evictions to let a bad tenant go without having to pay an attorney.

The Community Development Director stated the language is drafted to cover one year leases that convert to month-to-month; then it becomes a no cause eviction which would be entitled to relocation benefits if it is a no cause eviction; a tenant would not be entitled to relocation benefits at the end of a fixed term lease because the term is agreed upon by the landlord and tenant.

Councilmember Oddie stated anyone that has a year or six month lease can be evicted without cause without paying relocation fees and the City requiring everyone to have a one year lease, which is basically saying everyone is at risk of eviction.

The Community Development Director stated if the lease has an evergreen provision, a fixed term lease cannot be offered unless the tenant requests it.

Councilmember Oddie questioned who would want a one year lease.

Mayor Spencer responded that some people want a set term.



The Community Development Director noted in the State of California, the fixed term concept is highly unusual.

Councilmember Oddie stated that he feels staff got the direction wrong.

Mayor Spencer stated that she agrees with the staff recommendation; two parties should be able to enter into an arms-length agreement for a set term.

Councilmember Ezzy Ashcraft inquired what if a tenant wants an evergreen lease.

Mayor Spencer responded most tenants want a long term lease, which becomes month-to-month then all the benefits kick in.

Councilmember Ezzy Ashcraft inquired if Councilmember Oddie's concern is that all leases might become fixed term.

Councilmember Oddie stated that all leases are going to be one year leases that could be terminated without cause and would not be subject to relocation benefits, which defeats the purpose of the whole exercise.

Mayor Spencer stated the issue can be reviewed at some point.

Councilmember Ezzy Ashcraft stated landlords prefer not to turn over units every year because there is a cost to do so; data will be collected on evictions; inquired whether the City will be able to capture the data on leases that are not renewed, to which the Assistant City Attorney responded in the negative.

Mayor Spencer stated that she does not want to take away a landlord's right to offer a fixed term lease; people want said type of lease.

The Assistant City Attorney stated Council could provide direction to require relocation benefits even if there is a fixed term lease.

Councilmember Oddie stated the ordinance should be clarified to indicate the provision is for an evergreen clause.

The Assistant City Attorney stated if there is an evergreen clause, the tenant is entitled to relocation benefits with a no cause eviction.

Councilmember Ezzy Ashcraft inquired whether there is a way to ask tenants to report experiencing a one year lease or fixed term lease not being renewed.

The Community Development Director responded the City could ask tenants to do so on a voluntary basis.

Councilmember Ezzy Ashcraft questioned how information could be reviewed.

Mayor Spencer stated people could send emails or correspondence; she is concerned with how many staff members will have to be hired to run the program.

Councilmember Ezzy Ashcraft stated data will be more useful and reliable if it is systematically collected.

Mayor Spencer stated her relocation fee concern is how would the City enforce the tenant moving out if the half paid up front: a stipulated judgement or an irrevocable notice of termination; something enforceable is needed; a landlord cannot be expected to pay money then not have the tenant leave on a date certain.

Councilmember Ezzy Ashcraft stated there are repercussions for a tenant not leaving on a date certain, such as an unlawful detainer.

Mayor Spencer stated an unlawful detainer takes a lot of money and time in court; stated maybe a requirement should be a part of the administrative regulation.

Councilmember Ezzy Ashcraft stated the first year of the program should be in good faith.

Mayor Spencer stated a landlord paying relocation benefits should not also have to do an unlawful detainer to evict the tenant; inquired whether there is a solution; stated the landlord should pay the relocation fees as the tenant leaves, concurrently.

Councilmember Ezzy Ashcraft stated there are costs to securing a new residence.

Mayor Spencer stated there needs to be something in place to make sure the tenant leaves on the date certain.

Vice Mayor Matarrese stated the RRAC should mediate eviction issues and the City should not codify a formula that says how much is paid whether it is time or money; working with the RRAC model is cleaner than trying to fit every case into a set of ordinance sections.

Councilmember Daysog urged Council to continue the meeting to address the issues because the changes are too substantial.

Councilmember Oddie stated paying 50% up front is fair; inquired if there is data of tenants that have defaulted after receiving 50% first.

The Assistant City Attorney responded there is no concrete data; he is not aware there is a problem; stated the matter can be revisited in one year; tenant can also be weary of the landlord giving them the other 50%.

Mayor Spencer inquired whether it could happen concurrently.

The Assistant City Attorney responded the ordinance is not set up that way; stated 50% is to be paid when the tenant gives notice and the other 50% when the tenant moves out; staff feels 50% is reasonable.

Councilmember Oddie stated other cities follow the same process; tenants will have the hardship of relocating; there is always a risk that one or both parties will violate the agreement and will have to go to litigation; suggested a stipulated judgement be drawn up with a writ of execution.

The Assistant City Attorney responded a court action needs to be filed for a stipulated judgement; he is not clear how to enforce a stipulated judgement without an underlying court action.

Councilmember Oddie stated that he has experience with a stipulation pay; if rent is paid the case is dropped; when they go into default, the action would be filed.

The Assistant City Attorney inquired whether there was already an underlying action, to which Councilmember Oddie responded in the affirmative.

The Assistant City Attorney stated the underlying action is missing from the suggestion.

Mayor Spencer inquired what about an irrevocable notice of termination on a date certain.

The Assistant City Attorney stated the City can create something, but it would not be self-executing and there is no guarantee that the parties will follow it.

Councilmember Ezzy Ashcraft stated that she agrees with staff's proposal of 50% up front and 50% once the unit is vacated; urged Council to allow the provision for one year and revisit the matter to see if stricter provisions are needed.

Mayor Spencer stated that the entire document is because of outliers; she feels even though the issues would impact a small percentage, the problem is significant.

Councilmember Ezzy Ashcraft stated outlier landlords, not tenants, brought the City to this position.

Mayor Spencer stated there needs to be an administrative regulation or something clear that there is an agreement; the tenant is choosing time or money and the legal arrangement carries weight.

The Community Development Director stated staff is aware of the issue and will draft a document with the strongest language possible that is permissible; documentation that people have paid their relocation benefits is required so there will be a way to track the

data to know if it becomes an issue.

Mayor Spencer inquired if the language will state that tenants have to leave on a certain date, to which the Community Development Director responded in the affirmative.

Mayor Spencer stated that she agrees with staff's proposal as long as the end result is something that is enforceable.

The Community Development Director responded that the document will have the strongest possible language that is legally permissible.

Mayor Spencer inquired whether on the language regarding the housing provider's failure to provide, which is Section 6-58.180, shall render the housing provider liable to actual and punitive damages.

Councilmember Ezzy Ashcraft responded in the first year of the program, the City needs to exercise discretion over enforcement and how quick penalties are to assessed; inquired about Section 6-58.17.C.

Mayor Spencer responded the whole section is being stricken because a program fee has not been discussed.

Councilmember Ezzy Ashcraft responded allowing a grace period the first year that the program goes into effect seems reasonable; read from the ordinance and listed several of the fine amounts.

Mayor Spencer inquired whether Section 6-58.180 should read may, not shall.

Councilmember Ezzy Ashcraft responded it should remain shall; stated the wording is standard; the first fine could be suspended in the first year if there are no other violations.

Mayor Spencer inquired whether staff could do so.

Councilmember Ezzy Ashcraft responded Council could direct staff to apply some discretion.

Mayor Spencer inquired whether doing so could be done without changing the ordinance; stated the word "therefor" in Section 6-58.185 for should read just "for"; she agrees with staff's recommendation with striking the word therefor and using discretion in the first year.

Councilmember Oddie suggested enforcement take effect in six months.

The Assistant City Attorney stated the reality is there will be a learning curve and staff is not out to cite people the first time there is a slight mishap.

Councilmember Oddie inquired whether decisions could be appealed to Council.

The Assistant City Attorney responded there is a separate hearing officer process; the citation procedure will go to a hearing officer who will determine if the violation occurred and the hearing officer can use discretion when imposing a fine.

Mayor Spencer stated that she agrees with staff's proposal.

Councilmember Oddie stated that he agrees with staff's proposal.

Mayor Spencer inquired what "garden cottage" refers to, to which the Community Development Director responded that it implies a smaller or second unit in someone's backyard.

Mayor Spencer stated that she agrees with staff's recommendation; a means test would be a substantial change.

Councilmember Ezzy Ashcraft stated a means test would add further complications with administering the program; the amount of rent someone is paying for the unit they are living in is like a means test; the condition of the units is relative to what they pay.

Councilmember Daysog moved approval of continuing the meeting to the next regular scheduled Council meeting.

Vice Mayor Matarrese seconded the motion, which FAILED by the following voice vote: Ayes: Councilmembers Daysog and Matarrese – 2. Noes: Councilmembers Ezzy Ashcraft, Oddie and Mayor Spencer – 3.

Councilmember Ezzy Ashcraft stated it is important to address everyone's needs; she feels the ordinance addresses the needs of both groups; an annual review will be done that will provide valuable data and modifications can be made as needed; the City is not doing rent control; complaints about Victorian properties being expensive to maintain can be brought to the RRAC and the RRAC can review costs and possibly grant the request, so landlords should go to the RRAC to increase over 5%; landlords have been given no cause evictions with a provision to also protect tenants with the relocation benefits; sunset provision is fair; in 3 years, the City Council could come back and revisit the issue; read Section 6-58.85 regarding committee hearing and decision; stated that she would like a checklist so that everyone has the same experience at the RRAC and to ensure the same data is collected.

Mayor Spencer inquired if there could be a form, to which the Community Development Director responded in the affirmative.

Councilmember Ezzy Ashcraft stated if the RRAC meeting is contested the paperwork could be used.

Mayor Spencer inquired if there are any objections from Council, to which Council responded there are no objections.

Mayor Spencer inquired whether the form would not change the ordinance, to which the Community Development Director responded in the affirmative.

Councilmember Ezzy Ashcraft requested Committee hearings and decisions be clarified; stated if a tenant has requested the Committee to review a rent increase, the Committee's decision will be non-binding on the parties; there needs to be a sentence that explains it more clearly; a tenant could initiate the RRAC proceeding but the landlord still has the right to increase rent above 5%.

The Community Development Director responded for rent increases of 5% or less, the case has to be initiated by the tenant; the RRAC decision is non-binding and there is no recourse to a hearing officer, but there is recourse to the City Council.

Councilmember Ezzy Ashcraft stated Council only gave the right to go to binding arbitration for increases above 5%.

The Community Development Director stated language could be inserted that for increases of 5% or less the Committee's decision will be non-binding on the parties.

Mayor Spencer stated it could say for rent increases of less than 5% arbitration is not available.

Councilmember Ezzy Ashcraft requested staff work out the wording for clarification.

The Assistant City Attorney stated the idea is nothing would prevent a tenant and landlord from arriving at a rent increase less than the maximum rent increase; nothing precludes reaching an agreement before the Committee hearing.

Councilmember Oddie stated the tenant can request Committee review of a rent increase pursuant to Section 6-58.70, which says the tenant may request the Committee review rent increase under 5%.

Councilmember Ezzy Ashcraft stated the decision is non-binding.

Councilmember Oddie stated language could be inserted into Section 6-58.70.

Councilmember Ezzy Ashcraft stated that she is agreeable to said suggestion.

The Community Development Director responded the section would read: if the tenant has requested the Committee to review the rent increase pursuant to Section 6-58.70, the Committee's decision will be non-binding on the parties.

Councilmember Ezzy Ashcraft stated there is nothing preventing the parties from working out an agreement between themselves.

Mayor Spencer stated the language is just clarification and is not a substantive change.

Councilmember Ezzy Ashcraft Section 6.58-90D on parties failure to appear for the hearing; should allow an agent or a designee to attend the hearing; many of the smaller landlords are elderly or live out of town; someone with authority should attend the RRAC meeting to bind the owner to what the RRAC recommends.

Mayor Spencer stated that she wants someone with ownership interest.

Councilmember Ezzy Ashcraft stated Council agreed to change the requirement; the penalty would be if someone attends with no authority to make a decision, then the rent increase is null and void.

Mayor Spencer stated the decision was to have someone with ownership interest; if there is a hardship, then someone else could attend; the default is that it be someone with ownership interest.

Vice Mayor Matarrese stated if something prevents the person with ownership interest from attending, they must send someone who has the authority to act.

Mayor Spencer agreed; stated the default is someone with ownership interest.

Councilmember Ezzy Ashcraft stated a property owner could attend who has no knowledge of the day to day operations of the property; questioned what is gained by requiring the owner attend.

Councilmember Oddie stated the intent is to have larger corporation landlords, who want the 20% rent increases attend the hearing.

Mayor Spencer agreed; stated she is fine with leaving ownership interest.

Councilmember Ezzy Ashcraft stated to be fair and balanced for both sides, making someone get on a plane for a 6% rent increase is not justified.

Councilmember Oddie stated the corporate landlords who want to increase the rent should come justify it; an elderly mom and pop landlord wanting to send their child to represent them is understandable.

Mayor Spencer stated that she agrees; if the landlords are elderly or have an issue, it is okay to send someone; the default would be to have as many owners show up as possible.

Councilmember Ezzy Ashcraft recommended including the disabled as well.

Councilmember Oddie clarified the point is to not have attorney's coming in arguing for the large corporations.

The Community Development Director stated the owner would need to request a reasonable accommodation, which would need to be approved by staff.

Mayor Spencer stated ideally, it would have to be someone with ownership interest; in her experience with RRAC hearings the property managers say no to everything, she would like someone who is not being paid to show up and be a placeholder; she would like a meaningful mediation.

The Community Development Director stated staff could leave the language as is and deal with the idea of a reasonable accommodation as part of the administrative regulations.

Mayor Spencer stated all five Councilmembers are in agreeance with doing so.

Councilmember Ezzy Ashcraft stated the staff report indicates the RRAC mediation process allows consideration of numerous factors; she would like stronger language, such as must instead of may; she would like to specify the type of documentation that would be acceptable in the bullet points.

The Community Development Director stated that the proposed changes would be in the RRAC checklist.

Councilmember Ezzy Ashcraft stated it is very important to have specific information gathered by the RRAC and specific materials considered; inquired why the RRAC would not be required to consider the same factors that the arbitrator would consider.

The Assistant City Attorney responded staff tried to outline the form the RRAC would use; stated the extra items are listed for the arbitrator because it is more complex and would be used by a hearing officer, not the RRAC.

Councilmember Ezzy Ashcraft stated that she agrees with the extra documentation being given to a hearing officer; they will have the ability to analyze documents.

The Assistant City Attorney stated staff did not want to turn the RRAC into a hearing process; the form requires a certain amount of information that should be ample for the Committee to render a reasonable decision.

Councilmember Ezzy Ashcraft inquired regarding the cost related to the hearing officer process, how staff arrived at the estimate of 20 hearings per year.

The Community Development Director responded 20 is a best guess based on other cities.



Vice Mayor Matarrese stated what is proposed has a number of good protections for renters; there are provisions in the ordinance that he cannot support; he is concerned the cost will make rent rise even more.

Councilmember Oddie stated the issue is not being rushed; the process has been 18 months; the ordinance has some very strong tenant protections; he would like to have a model lease used in the future; he would also like to have more discussion on two issues: semi-private mediation and eviction mediation; there should be translation services; people should be educated about the ordinance to prevent landlords from making mistakes and so tenants understand their rights; there is a housing shortage in the Bay Area; a bill was introduced today to be able to use Boomerang funds for affordable housing; his goal is to bring peace, calmness and stability to the City.

Councilmember Daysog stated the data in the preemptory clause trends rent of 50 units or more apartments; inquired whether there is data for different classes; inquired why there is an absence of data for less than 5 or 6-10 units.

The Community Development Director responded the data was taken from the BAE Urban Economics Study; stated there is a lack of available data from reliable sources; data is not available for smaller units like it is for larger units.

Councilmember Daysog inquired whether there is data that combines Alameda renter's income trends and rent to income ratio.

The Community Development Director responded the income data comes from BAE Urban Economics community survey from 2013; stated there no way to correlate the data from the census about income with the census about rising rents.

Councilmember Daysog inquired whether staff has data from ACS that has the standard monthly rent payment to income.

The Community Development Director responded in the negative; stated there is data on renter income and data on the rate at which rent is rising, but they are not correlated.

Councilmember Daysog stated that he is concerned about the mom and pop landlords, which he defines as 5 or less; under Section 6-58.15 definition of rental units, he wants to make sure there is leeway for the RRAC to take into account the small mom and pop landlords; inquired whether language is in the ordinance in the definition of rental units.

The Community Development Director responded in the negative; stated there is not a current definition of a mom and pop landlord; the direction received from Council on February 2<sup>nd</sup> was not to address mom and pops in any other way in the ordinance.

Mayor Spencer inquired if the RRAC considers a landlord's financial position.

The Community Development Director listed the factors that have been called out to be considered by the RRAC.

Councilmember Daysog stated a question has been raised by small mom and pop landlords about the inability to distribute costs in similar ways to larger apartments.

The Community Development Director stated economies of scale would be an appropriate factor for the RRAC to consider; the property owner could state they have a limited number of units across which they could spread their costs.

Councilmember Daysog inquired how costs are treated, in particular, whether the treatment of relocation costs is fixed or scalable; inquired whether Section 6-58.150 Required Payment of Relocation Fee has a scalability to it in which the RRAC can adjust accordingly.

The Community Development Director responded the RRAC only deals with rent increases; stated the RRAC does not deal with the amount of relocation benefits to be paid which is a separate issue; the formula is tied to the tenants' length of tenure.

Councilmember Daysog inquired whether the person who provides the arbitrator would decide how much relocation benefits the tenant receives.

The Community Development Director responded that the hearing officer and RRAC only deal with rent increases, not evictions and relocation benefits; stated the recommendation sets the relocation benefits which will not need to be interpreted by anyone; the amount is tied to the tenure of the tenant and spelled out in the ordinance.

Councilmember Daysog inquired whether no one who would scale the relocation benefits separate from the formula that is in place in Section 6-58.150; stated what brought the City to this point has been the egregious acts of larger apartments; in the last two years, of the 40 cases that have come before the RRAC, 33 are large apartments.

Councilmember Daysog moved approval of exempting rental units of 5 units or less from the relocation benefits requirements; having a relocation benefits assistance formula for 6 to 10 units, and lowering relocation assistance to 2 months plus \$1,500 in moving expenses.

Mayor Spencer inquired if there could be a motion contrary to the first reading.

The Assistant City Attorney responded if the motion were seconded and accepted, staff would have to revise the ordinance and bring back a first reading at a subsequent meeting.

Councilmember Ezzy Ashcraft asked for clarification from Councilmember Daysog on the motion.

Councilmember Daysog clarified the motion is to exempt parcels with rental units consisting of 5 units or less from the relocation benefits requirement, have a relocation benefits assistance formula for parcels with rentals of 6 to 10 units start with ordinance adoption, and lower relocation assistance to 2 months plus \$1,500 versus the 4 months plus \$1,500.

Councilmember Ezzy Ashcraft requested clarification on the formula for 6 to 10 units.

Councilmember Daysog clarified if the ordinance is adopted, a tenant who has lived in the unit for 5 years is eligible for 4 years' worth of relocation assistance which is fine for the larger apartments to absorb the costs but not for small mom and pop landlords.

Councilmember Daysog's motion FAILED for lack of second.

Councilmember Daysog stated the legislation before the Council is an ordinance that provides protection for only the tenants, not the mom and pop landlords; Council should move forward with the renter protection ordinance; stated in the future he would like to see a renter and small mom and pop landlord protection ordinance.

The Community Development Director stated staff has two items to clarify: on page 10 the intent of Section 6-58.5OC is that if the property owner does not properly notice the rent increase, that they have the ability to cure and re-notice to have the rent increase go into effect if they re-notice correctly; staff did not pick up that parallel change on page 14 under Section 6-58-75C, which would read that there would be an opportunity to cure an incorrectly noticed rent increase by allowing the landlord to re-notice; on page 12, Section 6-58.65, units exempt from Costa Hawkins and requesting a rent increase over 5%, must have increases go into effect at the effective date of the notice, after the RRAC process; language needs to be relocated to make it clear.

The Assistant City Attorney stated the proposed language is moving the underlined Section 6-58.65 that says: "Unless you and your housing provider agree, the rent increase will not go into effect until the committee reviews the rent increase."

Mayor Spencer inquired whether the change is State law.

Councilmember Ezzy Ashcraft requested clarification on whether Council would introduce the ordinance and take a separate vote to adopt the resolution adopting policy concerning CIP.

Mayor Spencer stated the CIP is not being discussed.

Councilmember Ezzy Ashcraft moved introduction of the ordinance.

Councilmember Daysog seconded the motion, which carried by the following voice vote: Ayes: Councilmembers Daysog, Ezzy Ashcraft, Oddie and Mayor Spencer – 4. Noes:

Vice Mayor Matarrese – 1.

The Community Development Director stated the matter will be back March 1, 2016 for a second reading of the ordinance and to extend the moratorium for 22 more days until the ordinance can go into effect; staff can expand the item to include the resolution on the CIP, which does not need to be effective until the ordinance is effective.

Mayor Spencer inquired whether the CIP resolution only requires one reading.

The Community Development Director responded in the affirmative; stated the appropriation of funds also has to be discussed.

Councilmember Oddie moved approval of continuing the meeting on the CIP.

The motion FAILED for lack of a second.

The Interim City Manager stated that if the meeting is continued, it would not be subject to public comment.

Mayor Spencer stated the second reading cannot be continued; inquired if the meeting could be continued to 6:00 p.m. on March 1<sup>st</sup> to address the CIP and the appropriation.

The Community Development Director responded that the resolution and the appropriation are not required to be done at a regularly scheduled meeting so Council could start early.

Vice Mayor Matarrese stated there was no public comment on the CIP or the fee.

Mayor Spencer inquired whether public comment could be allowed at the continuation meeting.

The Assistant City Attorney clarified if the Council wants to continue the item to a date certain or the next meeting, public comment would not be required because the matter has already come before the public at a public hearing.

Mayor Spencer stated there will need to be public comment on the ordinance second reading; she would like to continue this part of the item to an hour before the March 1<sup>st</sup> regular meeting; then, have the second reading and public comment on the second reading at the regular meeting.

Mayor Spencer inquired whether a time has to be picked; she inquired on how much time would be needed for the items to be able to start the regular meeting at 7:00 p.m. was needed for the items to be able to start the regular meeting at 7:00 p.m.

The City Clerk stated there is no closed session on March 1<sup>st</sup>.

Mayor Spencer inquired how much time is anticipated to finish the CIP and the appropriation of funds.

The Community Development Director responded the discussion would also include the program fee; she estimates one hour to one and a half hours.

Mayor Spencer suggested continuing the meeting until 5:30 p.m. on March 1<sup>st</sup>, then hold the regularly scheduled meeting at 7:00 p.m.

The Community Development Director stated extension of the urgency ordinance extending the moratorium would be discussed at the regular meeting.

At 2:38 a.m., Mayor Spencer continued the meeting to March 1, 2016 at 5:30 p.m.

Respectfully submitted,

Lara Weisiger  
City Clerk

The agenda for this meeting was posted in accordance with the Sunshine Ordinance.