



Rent Stabilization Board

RENT STABILIZATION BOARD Special Meeting Minutes - *Approved*

Maudelle Shirek Building
2134 Martin Luther King Jr. Way
Council Chambers, Second Floor

Broadcast Live on KPFB – 89.3 and BTV Cable Channel 33
Live Webcasting at www.cityofberkeley.info/rent

Monday, June 4, 2018
7:00 p.m.

1. **Roll call** – Chair Selawsky called the meeting to order at 7:04 p.m.
Aimee Mueller called roll.
Commissioners present: Chang, Laverde, Murphy, Poblet (arrived 7:06 p.m.), Simon-Weisberg, Soto-Vigil, Townley, Tregub, Selawsky
Staff present: Brown, Darrow, Kelekian, Law (in audience), Mueller

2. **Approval of Agenda**

Substitute motion: M/S/C (Townley/Murphy) MOTION TO REORDER ACTION ITEMS AS FOLLOWS: HEAR ITEM 4.a.(4) FIRST, 4.a.(3) SECOND, 4.a.(1) THIRD, and 4.a.(2) FOURTH. Roll call vote. YES: Laverde, Murphy, Poblet, Simon-Weisberg, Soto-Vigil, Townley, Tregub; NO: Chang; ABSTAIN: Selawsky; ABSENT: None. Carried: 7-1-1-0.

Main motion: M/S/C (Laverde/Chang) MOTION TO MOVE ITEM 4.a.(1) TO CONSENT, HEAR ITEM 4.a.(4) FIRST, AND MOVE 4.a.(3) UP ON THE AGENDA. No vote was taken on this motion because the substitute motion passed.

3. **Public Forum** – There were 17 speakers. Rosemary Northcraft ceded her time to Toni Mester. Richard Fox spoke as a small property owner about the challenges and cost of evicting problem tenants. Debbie Woods ceded her time to Toni Mester. Toni Mester spoke about being a small property owner and against regulating golden duplexes in any way. Elizabeth Shaughnessy told the Board that she will not rent out a second unit that is currently off the market if the Board regulates golden duplexes. Terri Gerritz, a golden duplex owner, spoke against regulating golden duplexes. “Tracy” expressed that, as a landlord, she feels like “the bad guy” no matter what she does despite maintaining her property and renting below market. Cheryll Wang expressed that if controls are placed on golden duplexes, she will likely not continue to offer the non-owner-occupied unit in hers for rent. Mary Oram, a small rental property manager in Berkeley, spoke against the repeal of Costa-Hawkins. Gretchen Carlson, a golden duplex owner, opined that placing restrictions on small property owners will result in the removal of units from the market. Karla Simmons, who owns a golden duplex and a duplex that is under rent control, stated that she rents below market rate, rarely makes a profit, and might have to sell if

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restrictions are placed on golden duplexes. Elaine Simmons spoke against restrictions on golden duplexes. Kathy Snowden spoke against rent control for ADUs and golden duplexes. Moni Law, in her personal capacity, spoke about legal resources for low-income landlords and clarified some information on rent control. Linda Lonay stated that she will sell her golden duplex immediately if they become regulated at all, and opined that regulations will cause the loss of units. Linda Fang (with translation by Cheryll Wang) spoke about the financial burden of paying relocation assistance in order to perform an owner move-in eviction. Mohammad Hooshman stated that he will sell his golden duplex if any regulations are put in place, and believes others will do so as well.

4. ACTION ITEMS

a. From Board Members, Executive Director and Committees

- (1) Recommendation to adopt the proposed amendment to account for potential repeal of the Costa-Hawkins Rental Housing Act (Executive Director & Legal Unit)

M/S/C (Chang/Soto-Vigil) MOVE THE STAFF RECOMMENDATION AS WRITTEN. Roll call vote: YES: Chang, Laverde, Murphy, Poblet, Simon-Weisberg, Soto-Vigil, Townley, Tregub, Selawsky; NO: None; ABSTAIN: None; ABSENT: None. Carried: 9-0-0-0.

- (2) Recommendation to adopt the proposed amendment to update the definition of “New Construction” (Executive Director & Legal Unit)

Substitute motion: M/S/C (Tregub/Laverde) MOTION TO RECOMMEND TO THE 4 X 4 COMMITTEE’S PROPOSED AMENDMENT, EXCEPT TO CONSIDER AN EXEMPTION PERIOD OF 12 TO 15 YEARS AND FINALIZE THE EXEMPTION PERIOD BASED ON AN EXTENSIVE FINANCIAL ANALYSIS OF THE IMPLICATIONS TO NEW HOUSING DEVELOPMENT OF EXEMPTION PERIODS WITHIN THIS RANGE. Roll call vote. YES: Chang, Laverde, Murphy, Poblet, Simon-Weisberg, Townley, Tregub, Selawsky; NO: Soto-Vigil; ABSTAIN: None; ABSENT: None. Carried 8-1-0-0.

Main motion: M/S/F (Murphy/Soto-Vigil) MOTION TO TAKE NO ACTION ON THIS ITEM. No vote was taken because the substitute motion passed.

M/F (Soto-Vigil) MOTION TO TAKE NO ACTION ON THIS ITEM, OR TO RECOMMEND THAT COUNCIL PLACE LANGUAGE ON THE NOVEMBER 2018 BALLOT TO AMEND THE RENT STABILIZATION AND EVICTION FOR GOOD CAUSE ORDINANCE AS FOLLOWS:

SECTION 13.76.050

I. NEWLY CONSTRUCTED RENTAL UNITS, AS DEFINED IN SECTION 13.76.040. THAT HAVE RECEIVED A CERTIFICATE OF OCCUPANCY ISSUED AFTER JUNE 30, 1980. HOWEVER, THE EXEMPTION OF SUCH NEWLY CONSTRUCTED UNITS SHALL BE LIMITED TO ONE YEAR AFTER COMPLETION OF CONSTRUCTION AND SHALL BE LIMITED TO THEIR EXEMPTION FROM THE TERMS OF SECTION 13.76.080, RENT

REGISTRATION; SECTION 13.76.100, ESTABLISHMENT OF BASE RENT CEILING AND POSTING; SECTION 13.76.110, ANNUAL GENERAL ADJUSTMENT OF RENT CEILINGS; AND SECTION 13.76.120, INDIVIDUAL ADJUSTMENTS OF RENT CEILINGS, OF THIS CHAPTER.

Motion failed for lack of a second.

- (3) Recommendation to adopt the proposed amendment to clarify exemption of Accessory Dwelling Units (“ADUs”) (Executive Director & Legal Unit)

M/S/C (Townley/Tregub) MOVE THE STAFF RECOMMENDATION TO FORWARD TO COUNCIL PROPOSED ACTION (1) AS SET FORTH IN “PROPOSED AMENDMENTS PRESENTED AT MAY 21, 2018 MEETING” (ATTACHMENT A IN AGENDA PACKET) SECTIONS 13.76.050H AND N (PAGES 5 AND 6). *Friendly amendment by Tregub (accepted)*: ENCOURAGE COUNCIL TO FURTHER EXPLORE OTHER ORDINANCE CHANGES AND MECHANISMS TO REQUIRE THE PROVISION OF NOTICE TO PROSPECTIVE TENANTS DURING THE TIME A UNIT IS ADVERTISED FOR RENT THAT A PARTICULAR ACCESSORY DWELLING UNIT IS POTENTIALLY EXEMPT FROM THE RENT STABILIZATION AND GOOD CAUSE FOR EVICTION ORDINANCE. Roll call vote. YES: Laverde, Murphy, Townley, Tregub, Selawsky; NO: Chang, Poblet, Simon-Weisberg, Soto-Vigil; ABSTAIN: None; ABSENT: None. Carried: 5-4-0-0.

M/F (Soto-Vigil) MOTION TO REQUEST THAT COUNCIL PUT LANGUAGE ON THE BALLOT THAT ALL ACCESSORY DWELLING UNITS WILL BE SUBJECT TO ALL PROVISIONS OF THE RENT STABILIZATION AND EVICTION FOR GOOD CAUSE ORDINANCE. This motion failed for lack of a second.

M/F (Chang) MOTION TO TAKE NO ACTION ON THIS ITEM. This motion failed for lack of a second.

- (4) Recommendation to adopt the proposed amendment to the “Golden Duplex” exemption (Executive Director & Legal Unit)

Substitute motion: M/S/F (Soto-Vigil/Simon-Weisberg) MOTION TO RECOMMEND THAT COUNCIL PLACE LANGUAGE ON THE BALLOT THAT ENTIRELY ELIMINATES THE GOLDEN DUPLEX EXEMPTION (BERKELEY MUNICIPAL CODE 13.76.050F). Roll call vote. YES: Poblet, Simon-Weisberg, Soto-Vigil; NO: Chang, Laverde, Townley, Tregub, Selawsky; ABSTAIN: Murphy; ABSENT: None. Failed: 3-5-1-0.

Main motion: M/S/W (Chang/Murphy) MOTION TO TAKE NO ACTION AT THIS TIME. The motion was withdrawn by the mover and seconder.

5. INFORMATION, ANNOUNCEMENTS AND NEWS ARTICLES

a. Reports from Board Members/Staff

- (1) Update on Online Registration (Executive Director)

6. BOARD MEETING UPDATES AND ANNOUNCEMENTS

a. Updates and Announcements regarding future Special Meetings

b. Discussion of items for possible placement on future agenda

7. **ADJOURNMENT** – The meeting adjourned at 10:42 p.m. in honor of Pride Week, LGBTQ History Month, and in honor and memory of Virginia Duran.