



Memorandum

TO: HOUSING & COMMUNITY
DEVELOPMENT COMMISSION

FROM: FRED TRAN

SUBJECT: SEE BELOW

DATE: April 15, 2021

Approved

Date

SUBJECT: RENT STABILIZATION PROGRAM DRAFT STRATEGIC PLAN 2021-2024

RECOMMENDATION

Review the staff report and provide possible recommendations to staff or the City Council on the Rent Stabilization Program Draft Strategic Plan for 2021-2024.

BACKGROUND

As recommend by the [2016 City of San José Office of the City Auditor's Report](#), the Rent Stabilization Program ("Program") developed a strategic plan that outlines desired goals, outcomes, and measures of program effectiveness to ensure customers are provided necessary services. The Rent Stabilization Program Strategic Plan *Room to Stabilize* (Strategic Plan) is included as **Attachment A**. While the [Rent Stabilization Program 2019-2020 Annual Report](#) documents the yearly outputs from the Rent Stabilization Program team's work, the Annual Report is now complemented by this Strategic Plan. The Strategic Plan is intended to guide staff's work with a focus on deriving insights regarding the *long-term impact* of the Rent Stabilization Program. The initial implementation efforts of this Strategic Plan will span the next three years from 2021 to 2024. While this is a relatively short timeframe, the quickly changing housing market and community demographics warrant regular review of the recommended goals.

ANALYSIS

The following three goals have been prioritized in an initial three-year action plan. These actions have been identified as having the greatest potential for impact and options for the near-term implementation.

FOR PROGRAM

Goal 1: Policy research and policy development to increase stability for residents who rent apartments and own mobilehomes in the City. The objective is to develop anti-displacement research and policies for tenants, landlords, mobilehome residents and park owners in the City of San José facing financial hardships due to COVID-19. In addition, it is the Program's objective to understand the effectiveness of policies intended to promote city-wide housing stability during COVID-19 relief and recovery efforts.

Goal 2: Support fair housing through inclusive education and outreach

- ***Targeted approach with stakeholders*** – To promote cultural and racial inclusion, the approach of a targeted audience is critical to provide education to tenants and landlords, as well as mobilehome residents and park owners. It is the objective of the Program to improve communication and outreach by adopting a targeted approach to tenants and landlords, and mobilehome residents and park owners.
- ***Cultural, racial, and accessibility inclusion*** – The Program serves the residents living in City of San José, which is composed of multi-cultural and racial diversity. The Program's objective is to educate and inform the rental community of rights and responsibilities with targeted outreach to renters with limited English proficiency, and renters with special needs such as seniors and people with disabilities.

FOR APARTMENT COMMUNITY

Goal 3: Stabilize housing for tenants and landlords in the City through the participation of the petitions and mediation programs and provide opportunities for education and enforcement of relevant Ordinances

- ***Petitions Process & Housing Mediation Program*** – In order to further the goal of stabilizing housing, the Program will first leverage the Petitions Program which accepts and processes tenant and landlord-initiated petitions. The Program provides mediations and administrative hearing to assist in resolving rental issues, as well as having an established partnership with the Santa Clara County Office of Mediation and Ombuds Services (OMOS). The objective of the Petitions Program is to provide efficient and effective customer service to process petitions submitted by tenants and landlords covered by the Apartment Rent Ordinance and resolve conflicts to ensure continuation of tenancy or more time to relocate.
- ***Rent Registry Program*** – The Rent Stabilization Program oversees registration of rent stabilized properties. The information collected in the Rent Registry is used to track rent stabilized rents and annual rent increases and compare them to market rate rents and annual increase. In addition, the Program's objective is to analyze the length of tenancy and turnover rates in rent stabilized apartments to measure effects of vacancy decontrol, and compare to market rate turnover rates. The Program plans to use the Rent Registry to enforce the Apartment Rent Ordinance by informing landlords of improper rent increases beyond allowable 5% in the Rent Registry and allowing tenants to verify rent levels through a future Tenant Portal currently under development.

- ***Administrative Citation Program*** – The Administrative Citation Program was adopted in 2019 as a tool to stabilize the rental community through compliance with the Apartment Rent Ordinance, Tenant Protection Ordinance, and Ellis Act Ordinance. The Program’s objective of the Administrative Citation Program is to foster compliance with the Ordinances through educating the rental community on their rights and responsibilities, correcting curable violation, and citing instances of violations when necessary. Another objective is to identify instances of potential non-compliance and investigate and enforce such instances, and have a targeted approach to inform residents and landlords of their rights and responsibilities.

FOR MOBILEHOME COMMUNITY

Goal 4: Preservation of mobilehomes and mobilehome parks as a source of affordable housing for senior citizens, residents on limited or fixed-incomes, and other vulnerable residents.

- **Outreach campaign to inform residents** – The Mobilehome Rent Ordinance addresses rent increases on an annual basis with the Consumer Price Index (CPI) as the determining factor. Under the Ordinance, a property owner has the right to file a fair return petition for a rent increase beyond the maximum allowable rent increase, filing the petition with the Rent Stabilization Program (RSP). The objective is to have quarterly outreach campaign to inform residents of their rights under the Mobilehome Rent Ordinance and the logistics of a fair return petition. Outreach will target those with the most severe needs, including senior citizens.
- **Program tracking of notices of terminations for mobilehomes** – While the Mobilehome Residency Law Protection Program, as established by HCD, coordinates the assistance to help resolve the most severe alleged violations that the Department receives, the Program can also help track voluntary submissions of notices of terminations for mobilehomes. The objective is to establish an internal system tracking notices of termination, examine trends and analyze opportunities to preserve housing through referrals and limited advocacy.

QUESTIONS FOR THE COMMISSIONERS

As the Program develops this Strategic Plan, it is important that the approach is appropriate for the development of the plan. The key questions asked included:

- How can the Program measure housing stability in our community?
- How can the Program determine an equitable way to do so that acknowledges the value of housing in most people’s lives and the importance of housing in society?
- How can the Program measure the impacts of the City’s existing ordinances aimed at achieving stability in our rental community, such as the Apartment Rent Ordinance Tenant Protection Ordinance, Ellis Act Ordinance, Housing Equality Payment Ordinance, and the Mobilehome Ordinance?

- How can the Program determine what impacts are being made with respect to COVID-19-related policies and program services toward the aim of achieving stability, such as the Eviction Moratorium, Moratorium on Rent Increase and Housing Mediation Program?

From the Commission's perspective, the Program would like feedback on:

- Are these the right questions?
- Have we identified the right goals and strategies?
- Is there a perspective we are missing?

Input from the Commission is critical in developing a plan that will serve the program and community well over the coming next three years.

CONCLUSION

This draft Strategic Plan outlines the goals, objectives, and strategies for the Program, apartment community, and mobilehome community. The Program will continue to collaborate with the community and stakeholders to further development a complete Strategic Plan that will include measures, targets, and activities to achieve each of the goals.

Once completed, the Strategic Plan will be reviewed regularly, and course corrected as needed. In order to track implementation efforts, the metrics laid out throughout the Strategic Plan will be tracked on an annual basis. Updated metrics will be publicly accessible on an interactive housing dashboard on the City's website. As part of the program, the Rent Stabilization Program will continue to prepare annual updates for submittal and discussion with the public and Housing & Community Development Commission. Updated metrics and the status of implementation efforts will be included in these reports.

EVALUATION AND FOLLOW UP

The Rent Stabilization Program Report *Room to Stabilize* will be heard by the City Council's Neighborhood Services and Education Committee on May 20, 2021, and will be agendaized for City Council on June 8, 2021.

PUBLIC OUTREACH

To continue the Program's commitment to engage the community in the development process of the first Strategic Plan, staff will invite the stakeholders in **Table 1** to join the following outreach meetings on Zoom to gather feedback on the goals, objectives, and outcomes and receive recommendations to include additional elements of measurements, targets, and activities:

Table 1 – Upcoming Outreach Summary with Stakeholders

Date & Time	Stakeholder Group
April 26, 2021 – 10:00 AM	Landlords and Property Managers
April 26, 2021 – 3:00 PM	Apartment Tenants
April 26, 2021 – 5:00 PM	Mobilehome Residents and Owners
April 27, 2021 – 10:00 AM	Mobilehome Park Owners
April 27, 2021 – 3:00 PM	General Public

/s/
FRED TRAN
Division Manager
Housing Department

For more information, contact Viviane Nguyen, Senior Analyst, at (408) 975-4462.

Attachments:

- **Attachment A** – Rent Stabilization Program Draft Strategic Plan 2021-2024



Room to Stabilize

Draft Rent Stabilization Program

Strategic Plan

A Three-Year Strategy from 2021 to 2024

City of San José

Housing Department



INTRODUCTION

Room to Stabilize is Rent Stabilization Program's First Strategic Plan

This Strategic Plan provides a forward-looking work plan for the RSP and provides guidance for the Program's work. It includes strategic initiatives with associated goals, strategies, actions, and measures that will be implemented within the community over a specific period of time. The strategic elements were derived from the Program staff prioritizing process and program evaluation, as well as reflect the community's involvement and feedback throughout the process.

The Housing Department's vision is to strengthen and revitalize the community through housing and neighborhood investment. As part of the Housing Department, the RSP mission is to stabilize the rental community through collaboration, education, engagement, enforcement to build and maintain safe, healthy, and sustainable communities. To accomplish this mission, RSP considered the following questions:

- How can the Program measure housing stability in our community?
- How can the Program determine an equitable way to do so that acknowledges the value of housing in most people's lives and the importance of housing in society?
- How can the Program measure the impacts of the City's existing ordinances aimed at achieving stability in our rental community, such as the Apartment Rent Ordinance Tenant Protection Ordinance, Ellis Act Ordinance, Housing Equality Payment Ordinance, and the Mobilehome Ordinance?
- How can the Program determine what impacts are being made with respect to COVID-19-related policies and program services toward the aim of achieving stability, such as the Eviction Moratorium, Moratorium on Rent Increase and Housing Mediation Program?

The Rent Stabilization Program 2019-2020 Annual Report documents the yearly accomplishments from the work of the RSP team, which oversees and enforces City ordinances through education, engagement and collaboration. The Annual Report is now complemented by this RSP Strategic Plan. The Strategic Plan is intended to guide staff work with a focus on deriving insights regarding the long-term impact of the Program.

Mission-Driven

The Strategic Plan focuses on understanding new and long-standing challenges related to rent stabilized housing in our community and provides clear actions to support the mission of the RSP team to stabilize the rental community through collaboration, education, engagement, and enforcement of the Ordinances it oversees. The Strategic Plan also supports the broader Housing Department mission to strengthen and revitalize our community through housing and neighborhood investment.

Informed by Data & Insights

The Strategic Plan presents a rigorous and disciplined approach to evaluation, rooted in data-driven analysis. Analytics will be conducted on data from community outreach and a variety of sources including the City of San José Rent Registry, Santa Clara County data, and federal sources such as U.S. Household Pulse Survey COVID-19.

Centered in Cultural, Racial, and Accessibility Equity

The RSP staff intends to incorporate its work with the Office of Racial Equity and benefit from its trainings, data collection, policy analysis and development, and develop stronger accountability measures. Established in 2020 in the City Manager's office, the Office of Racial Equity aims to advance systems change through a citywide racial equity framework that will examine and improve San José's internal policies, programs, and practices to eradicate any structural and/or institutional racism in the City of San José.

Connected Importance of Housing Stability and Health

Connecting housing and health means recognizing that housing stability is only one part of the problem. Compounding factors such as housing conditions and costs, neighborhood quality, access to amenities and services, social and economic factors can have compounding impacts on an individual's health and on community well-being. Notably, the development of this Strategic Plan was a priority prior to the COVID-19 health pandemic and has become even more important as the dual health and economic crises have further exposed and increased pre-existing inequities in housing, employment, and health.

A) Core Principles of Strategic Plan

The following statements are the principles that embody the spirit of the Strategic Plan. All of the objectives, strategies, and action items in the Strategic Plan were created with the following principles in mind:

- **Collaboration** – Acknowledge the importance of working in close concert with colleagues in the Housing Department and across the City of San José, along with community stakeholders, to gain insight and address community needs.
 - **Openness** – Create transparent accountability for RSP led initiatives by connecting proposed activities to a measurable results framework through which progress and goals are publicly tracked.
 - **Equity** – Recognize the important role of the Program in promoting equity to tenants, residents, landlords, and park owners throughout the San José rental community. It is the Program's priority to have equity in its process and equity in outcomes. Equity in process includes meaningful opportunities to engage with community stakeholders to gather input into the Plan. The Program will continue to learn, adjust, and commit to processes that empower community members to work with local government. Furthermore, staff intends for the Strategic Plan to strive to provide equity in outcomes. To this end, staff will work with the community to identify and prioritize metrics that consider: Who will each policy benefit? Who will be indirectly affected? Will unfair and biased outcomes be reduced or perpetuated?
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B) Who We Are

We are proud of the broad range of programs and services we offer and our role in serving our community as the Rent Stabilization Program.

Rent Stabilization Program Organization

Director, Deputy Director, Division Manager: Represents the department on a macro-level and provides general oversight and direction towards achieving the vision of healthy communities that inspire belonging.

Jacky-Morales Ferrand, Rachel VanderVeen, Fred Tran

Petitions Team: Manages the intake, scheduling, and administrative process for tenant and landlord petitions. Coordinate hearings and mediations.

Elizabeth Guzman, Guadalupe Gonzalez, Lourdes Saucedo, Luisa Galdamez, Ramo Pinjic, Theresa Ramos

Compliance Team: Manage compliance and enforcement of the Program's Ordinances and implement the Rent Registry.

Abhinav Ganesh, Mari Padilla, Marisa Vela, Monica Velarde, Noel Padilla, Viviane Nguyen

City Attorney's Office – Liaison: Provide legal review for the Program including memos, outreach materials, administrative petition issues, Ordinance implementation and interpretation, and enforcement actions

Aaron Yu, Christopher Alexander, Carmen Dalpiaz

Goals Overview

The four Goals delineated below are structured to contribute program- and service-specific insights and collective insights as to how the Program is performing overall – all toward the aim of achieving a shared understanding of what “housing stability” in the City.

1

Policy research and policy development to increase stability for residents who rent apartments and own mobilehomes in the City.

2

Support fair housing through inclusive education and outreach.

3

Stabilize housing for tenants and landlords in the City through the participation of the petitions and mediation programs and provide opportunities for education and enforcement of relevant Ordinances.

4

Preservation of mobilehomes and mobilehome parks as a source of affordable housing for senior citizens, residents on limited or fixed-incomes, and other vulnerable residents.

FOR THE PROGRAM - GOAL 1

1

Goal: Policy research and policy development to increase stability for residents who rent apartments and own mobilehomes in the City

Objectives:

- Develop anti-displacement research and policies for tenants, landlords, mobilehome residents and park owners in the City of San José facing financial hardships due to COVID-19.
- Understand the effectiveness of policies intended to promote city-wide housing stability during COVID-19 relief and recovery efforts.

Strategies:

- Continue monitoring legislation and policy impacts related to the Eviction Moratorium on a county, state, and federal level
 - Continue efforts related to community development and legal information for apartment landlords, tenants and mobilehome residents and park owners
 - Provide transparency of resident access to program services and encourage feedback on Program policy and need.
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FOR THE PROGRAM- GOAL 1

1

About:

On February 10, 2020, the Santa Clara County Public Health Officer announced a local health emergency due to the spread of COVID-19. On March 17, 2020, the Santa Clara County Public Health Officer issued a public health order, requiring residents to shelter in place in an effort to curb the growing threat of the virus. With this backdrop, the City of San José took proactive steps to increase housing stability for its residents.

On March 17, 2020, the City passed the first of its kind eviction moratorium. The moratorium sought to protect residents against an eviction, an action that promoted public health and safety by decreasing the possibility of eviction due to non-payment of rent as COVID-19 transmissions climbed. On April 28, 2020, the City passed a Moratorium on Rent Increases aimed at decelerating the accumulation of rental arrears among tenants. As the pandemic continued, the City adjusted its policies, including the introduction of the 2021 Moratorium on Rent Increases, a more targeted approach that protects the most vulnerable residents still being affected by the pandemic.



FOR THE PROGRAM - GOAL 2

2.A

Goal: Support fair housing through inclusive education and outreach

2.A) Targeted Approach with Stakeholders

Objective:

- Promote communication and outreach by adopting a targeted approach to tenants and landlords, and mobilehome residents and park owners.

Strategy:

- Establish a working committee for rent stabilized tenants, landlords, mobilehome residents, and mobilehome owners for policy feedback

About:

To implement the Program's outreach initiative, the outreach effort targets property owners, park owners, tenants and residents. The goal of our targeted audience is to monitor compliance, provide education to landlords, tenants and resident about new ordinances and their prospective rights and responsibilities. To reach our desired audiences, staff has conducted direct outreach to these groups by going into high volume communities that have rent control apartments and mobilehome parks. The program has also worked with their influencers to share information about rental housing and resources during community events.

FOR THE PROGRAM - GOAL 2

2.B

Goal: Support fair housing through inclusive education and outreach

2.B) Cultural, racial, and accessibility inclusion

Objective:

- Educate and inform the rental community of rights and responsibilities with targeted outreach to renters with limited English proficiency, and renters with special needs such as seniors and people with disabilities.

Strategy:

- Explore additional methods of education and outreach to optimize the impact of Program focusing on persons with limited English proficiency, seniors and people with disabilities.

About:

Inclusiveness is a key part of San José's identity as a community. Inclusive housing in the City means housing options throughout the City for people from all walks of life, all backgrounds, and all income levels.

Language Inclusiveness – San José is a racially diverse city. In the decade between the 2000 and 2010 Census, overall population in San José grew by 6%, with population growth occurring among Asians (26%) Hispanic/Latinos (16%), and Pacific Islanders (13%). This trend shows the diversifying population of the City, which is a “majority-minority” city, with the three biggest racial groups each comprising about one third of the City's population.

FOR THE PROGRAM

CULTURAL, RACIAL, AND ACCESSIBILITY INCLUSION

2.B

The Program has addressed the city's diverse racial make up with outreach delivered in at least three languages: English, Spanish, and Vietnamese, including informational webinars and community presentations services, information and resources. The Program has provided crucial information during the COVID-19 pandemic via social media platforms, webinars, and PSA's in these three specific languages.

In addition to delivering information in multiple languages, Program staff has been exploring how to optimize content for cultural sensitivity and receptivity. Limited early pilots found promising results. For example, one test documented an increase in inbound inquiries from Vietnamese-speaking renters following the airing of a radio PSAs in Vietnamese, and a second pilot project documented an increase in inquiries from Spanish-speaking renters following a TV PSA on Spanish-language television. These findings suggest that further optimizing message, platform and timing may increase the impact of Program education and outreach initiatives.

Moving forward, the Program will expand targeted education outreach to include sub-populations that often require special accommodations due to their unique characteristics and/or needs. These characteristics may include age, family characteristics, or disability, and can affect their accessibility to decent and affordable housing. For example, elderly individuals are often reliant on a fixed income, and experience higher health care costs. Large households require a greater number of bedrooms. Persons with disabilities have physical or mental impairments that may substantially limit major life activities, and may require accessible housing accommodations.i

FOR THE APARTMENT COMMUNITY - GOAL 3

3.A

Goal: Stabilize housing for tenants and landlords in the City through the participation of the petitions and mediation programs and provide opportunities for education and enforcement of relevant Ordinances

3.A) Petition Process & Housing Mediation Program

Objective:

- Provide efficient and effective customer service to process petitions submitted by tenants and landlords covered by the Apartment Rent Ordinance and resolve conflicts to ensure continuation of tenancy or more time to relocate.

Strategies:

- Ensure tenants and landlords who participate in the Petitions or Housing Mediation Programs follow through with the process, are accountable with the outcomes, and are satisfied or above satisfied with the process when completing Program survey.
 - Continue outreach and multi-lingual engagement to vulnerable communities to provide petition and mediation services to resolve tenant and landlord conflicts. Follow up with tenants and landlords one year after the petition process to ensure accountability with Petitions or Mediation outcomes, and determine causes for vacancy.
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FOR THE APARTMENT COMMUNITY

PETITION PROCESS & HOUSING MEDIATION PROGRAM

3.A

RSP Staff facilitate a Petitions process and a Housing Mediation Program with the aim to efficiently resolve rental issues among renters and landlords. Typically, the process begins with tenant and/or landlord-initiated petitions. Staff reviews and accepts petitions, and facilitates a process by which mediators and hearing officers work assist in resolving rental issues. Mediations are held to settle disputes via a Voluntary Agreement, without the need for a more formal administrative hearing. Most petitions are resolved through a voluntary mutual agreement. Participation in a mediation is voluntary where mediation outcomes may result in a voluntary agreement between the landlord and tenant. Administrative hearings are held for cases either not resolved through mediation or are requested by either party. At these hearings, the hearing officer reviews evidence and hears testimony from the parties and will issue a detailed written decision. Most petitions are resolved through a voluntary mutual agreement. Due to the pandemic, mediations, and hearings are conducted via a Zoom platform.

The Program also conducts mediations and administrative hearing through the Housing Mediation Program to assist in resolving rental issues, as well as having an established partnership with the Santa Clara County Office of Mediation and Ombuds Services (OMOS).

The Petition process and the Housing Mediation Program are critical housing services that often result in a mutual agreements between landlord and tenant that help resolve health and safety issues that, if left unresolved, may cause a tenant to consider leaving the apartment. Through the petitions process, a tenant and landlord may come to an agreement wherein habitability issues or disagreements about fees are resolved, making the apartment a more stable home for the tenant and often building stronger communication between the tenant and property owner. With the Housing Mediation Program, interested parties have an opportunity to resolve housing conflicts through a trained mediator, an especially necessary opportunity for building consensus during a pandemic.

FOR THE APARTMENT COMMUNITY - GOAL 3

3.B

Goal: Stabilize housing for tenants and landlords in the City through the participation of the petitions and mediation programs and provide opportunities for education and enforcement of relevant Ordinances

3.B) Rent Registry Program

Objectives:

- Utilize Rent Registry to track rent stabilized rents and annual rent increases and compare them to market rate rents and annual increase. In addition, analyze the length of tenancy and turnover rates in rent stabilized apartments to measure effects of vacancy decontrol, and compare to market rate turnover rates.
- Leverage database as an enforcement mechanism of rent increases to ensure rent stabilization by informing landlords of improper rent increases beyond allowable 5% in the Rent Registry and allowing tenants to verify

Strategies:

- Inform landlords about the Rent Registry, educating them about their obligations, and providing technical assistance throughout the registration process.
 - Maximize Program coordination and data standardization by developing and implementing data input procedures in Rent Registry and future Tenant Portal.
 - Publish regular quarterly reports with rent comparisons between rent stabilized rents and vacancy rates from the Rent Registry and compare to market rate apartments
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FOR THE APARTMENT COMMUNITY

3.B) RENT REGISTRY PROGRAM

The Rent Stabilization Program oversees and administers the ordinances and its accompanying regulations for rent stabilized housing. In doing so, it collects housing data for rent stabilized properties, which are apartment buildings with three or more apartments, built before September 7, 1979. Implemented in 2018, the Rent Registry is where landlords register their rent stabilized apartments on an annual basis via the Rent Registry portal. San José's Rent Registry collects information relating to rent increases, security deposits, vacancies, and vacancy reasons, and helps ensure San José tenants' rights are protected. Data from the Rent Registry has proven to be a valuable tool for staff to collect and analyze the ARO market. In doing so, staff now has data on apartment size units, amenities and actual rental rate charges for ARO apartments. The registry gives the Housing Department the ability to proactively monitor and enforce via:

1. Analyzing data on current rents;
2. Automatically calculating maximum allowable rent increases;
3. Documenting instances of improper rent increases; and
4. Compliance through enforcement of improper rent increases.

A vital tool in the Program's rent stabilization strategy is placing a cap of 5% on the annual allowable rent increases for apartments. In the Bay Area, some rent stabilization programs such as Oakland and Los Gatos have rent increases that ties to the Consumer Price Index (CPI). While City Council directed staff to evaluate decreasing the 5% cap to tie to the CPI in 2018, the City Council ultimately decided to maintain the 5% annual cap. While limiting the rent increases, the Program allows for landlords to pass through significant increases in operation and certain maintenance costs, and allows for rents to return to market rate levels when the unit becomes vacant through "vacancy decontrol."

In evaluating the rents levels in the Rent Registry with rent caps compared to the market rates, staff found that rent stabilized apartments have consistently maintained lower rents compared to market rates. According to CoStar Fourth Quarter data, the average monthly rent for a two-bedroom apartment in 2020 was \$2,564.1. A rent stabilized two-bedroom apartment in the City of San José has an average rent of \$2,108. The nearly \$500 difference between the market rate and rent stabilized apartments illustrates the need for the City to maintain rent stabilized housing stock available for renters. Rent Registry information gathered in January 2021 revealed that vacancy rates for rent stabilized apartments is considerably lower at 8.7% than those at market rate (Class A and Class B). The rent cap remains an important tool to protect tenants from excessive rent increases that may lead to displacement.

FOR THE APARTMENT COMMUNITY - GOAL 3

3.C

Goal: Stabilize housing for tenants and landlords in the City through the participation of the petitions and mediation programs and provide opportunities for education and enforcement of relevant Ordinances

3.C) Administrative Citation Program

Objectives:

- Foster compliance with the Ordinances through educating the rental community on their rights and responsibilities, correcting curable violation, and citing instances of violations when necessary.
- Identify instances of potential non-compliance and investigate and enforce such instances, and have a targeted approach to inform residents and landlords of their rights and responsibilities.

Strategies:

- Strengthen enforcement with follow up on key requirements of the Ordinances, including landlords' filing of tenancy termination notice to identify potential non-compliance
 - Coordinate with the Department of Planning, Building, and Code Enforcement (PBCE) to analyze the Tiers program for rent stabilized apartments.
 - Evaluate the Ellis Act Ordinance to monitor withdrawn properties that have been developed or not have been redeveloped, as well as evaluate impacts on tenants displaced by the economics of redevelopment
 - Increase access to eviction data from Santa Clara County Superior Court and through Legal Services
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FOR THE APARTMENT COMMUNITY

3.C) ADMINISTRATIVE CITATION PROGRAM

The Administrative Citation Program was adopted in 2019 as a tool to stabilize the rental community through compliance with the Apartment Rent Ordinance, Tenant Protection Ordinance, and Ellis Act Ordinance. However, Program staff is currently working with the Finance Department to issue citations for landlords who remain out of compliance following the issuance of warning letters. Staff has sent out warning letters of corrective action related to:

- **Non-registration violations of the Rent Registry as required by the Apartment Rent Ordinance:** After completing the first and second Rent Registry registration periods, Program staff conducted a review of non-registered ARO landlords and identified landlords in violation. Program staff found that of those landlords in violation, approximately 30% have had a recent address change. Following the analysis of the Rent Registry data, 2,563 Notice of Violation and Corrective Action letters were mailed in December 2020 and 108 in January 2021. Since the initial 2,563 letters issued in December 2020, an additional 1,713 properties have registered completely. As a result, the number of registered apartments increased from 49% to 87%. The Program will continue to provide these Notices and opportunities for landlords to comply with the requirements of the Rent Registry before issuing Administrative Citations.
 - **Improper notices of terminations:** The Tenant Protection Ordinance requires all notices of termination to state a "just cause." This applies to tenants living in apartment buildings with three or more apartments. Under the Tenant Protection Ordinance, landlords must submit copies of any notices of termination to the City. Under the Tenant Protection Ordinance, there are 13 Just Causes. Certain causes require the landlord to provide relocation assistance to the tenant. Staff has sent out Notice of Corrective Action for improper notices of terminations, including but not limited to non-disclosure of at least one of the thirteen just causes.
 - **Monitor tenant buyout agreement regulations:** The Apartment Rent Ordinance provides strict guidelines regarding negotiated landlord-tenant agreements for early move-outs. Staff has worked with landlords to successfully submit complete buyout agreements and communicated follow up for incomplete agreements.
 - **Relocation benefits:** Staff have sent communications to tenants and landlords to explain relocation benefits requirements under the Tenant Protection Ordinance, including for when a unit is being remodeled, converted, or demolished are entitled to relocation payments and reimbursements.
 - **Special notice requirements:** Staff continues to monitor required postings and attachments that the landlord of apartments to provide tenants with a copy of written notice about specific tenant rights under the Apartment Rent Ordinance and Tenant Protection Ordinance, as well as referrals when submitting the termination notices.
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FOR THE MOBILEHOME COMMUNITY - GOAL 4

4.A

Goal: Preservation of mobilehomes and mobilehome parks as a source of affordable housing for senior citizens, residents on limited or fixed-incomes, and other vulnerable residents.

4.A) Outreach campaign to inform residents

Objective:

- Quarterly outreach campaign to inform residents of their rights under the Mobilehome Rent Ordinance and the logistics of a fair return petition. Outreach will target those with the most severe needs, including senior citizens.

Strategies:

- Establish a communications plan wherein quarterly outreach will focus on a different topic that may affect residents. Topics may include but are not limited to: the Mobilehome Rent Ordinance provisions on evictions, resources available from the California Department of Housing and Community Development, upcoming in-person City events, and local community-based organizations that may assist with home repair.
 - Collect call log data from the previous Fiscal Year to prioritize outreach to the parks with the most inquiries.
 - Through a mailing and social media campaign, invite Senior Citizens to enroll in a specialized outreach newsletter, delivered to the senior citizens on a quarterly basis.
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FOR THE MOBILEHOME COMMUNITY - GOAL 4

4.B

Goal: Preservation of mobilehomes and mobilehome parks as a source of affordable housing for senior citizens, residents on limited or fixed-incomes, and other vulnerable residents.

4.B) Program tracking notices of terminations for mobilehomes

Objective:

- Establish an internal system tracking notices of termination, examine trends and analyze opportunities to preserve housing through referrals and limited advocacy.

Strategies:

- At the beginning of each year, through a mailing and/or social media campaign, Rent Stabilization Program staff can encourage residents to inform the Program when they receive a notice of termination. Staff will provide resources and follow up on each instance, as appropriate.
 - At the end of each Fiscal Year, Program staff will produce data analytics on the notices of termination, mapping hardest hit areas. Staff will prioritize outreach for the following Fiscal Year in those areas.
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FOR THE MOBILEHOME COMMUNITY - GOAL 4

The Mobilehome Rent Ordinance addresses rent increases on an annual basis with the Consumer Price Index (CPI) as the determining factor. Under the Ordinance, a property owner has the right to file a fair return petition for a rent increase beyond the maximum allowable rent increase, filing the petition with the Rent Stabilization Program (RSP). A hearing officer will evaluate the fair return petition and make a determination for a possible rent increase beyond the maximum allowable rent increase. Service reduction claims may be heard by the Mobilehome Law Residency Program by submitting a complaint with the California Department of Housing and Community Development (HCD). A mobilehome owner or tenant may pursue their own civil action for a service reduction through a court of competent jurisdiction as well.

Beginning July 1, 2020, the Mobilehome Residency Law Protection Program, as established by HCD, began taking Mobilehome Residency Law-related complaints and coordinating assistance to help resolve the most severe alleged violations that the Department receives. The Mobilehome Residency Law Protection Program provides more information on this new program designed to help resolve certain disputes between mobilehome/manufactured homeowners in mobilehome parks and park owners/management.

CONCLUSION

Initial implementation efforts of this Strategic Plan span the next three years. While this is a relatively short time frame, the quickly changing housing market and community demographics warrant regular review of the remaining recommended actions. Communities throughout the City are struggling with housing challenges. Out of these challenges will likely come new strategies and innovative solutions. This Strategic Plan will be reviewed regularly, and course action adjusted as needed. In order to track implementation efforts, the metrics laid out throughout the Strategic Plan will be tracked on an annual basis. Updated metrics will be publicly accessible on an interactive housing dashboard on the City's website. As part of the program, the Rent Stabilization Program will continue to prepare an annual update for submittal and discussion with the public and Housing and Community Development Commission. Updated metrics and the status of implementation efforts should be included in these reports.

DRAFT STRATEGIC PLAN 2021-2024

RENT STABILIZATION PROGRAM