

California Apartment Association

North Bay 755 Baywood Drive, 2nd Floor Petaluma, CA 94954 (800) 967-4222 • caanet.org

Via Electronic mail only

January 18, 2021

Honorable Kate Colin Mayor City of San Rafael 1400 Fifth Avenue San Rafael 94901

RE: Temporary Moratorium on Certain Rent Increases – Oppose

Dear Mayor Colin and Members of the City Council:

The California Apartment Association (CAA) is the largest statewide rental housing trade association in the country, representing more than 50,000 single family homeowners and multi-family apartment owners and managers, who are responsible for over two million affordable and market-rate rental housing units throughout California.

CAA recognizes we are in unprecedented times and we have asked all rental housing providers to act with compassion towards residents who face coronavirus-related hardships. Last year, CAA publicly acknowledged Governor Newsom's Executive Order N-37-20 as a reasonable measure to protect struggling tenants from eviction and we continue to engage in good faith with local governments to address the impact COVID-19 has on tenants and rental property owners.

While we recognize the pressing need to help those impacted by COVID-19, especially the citizens of the Canal neighborhood, we strongly disagree with the notion that the proposed rent control measure will help tenants who are unable to pay rent. Nor are rents increasing in San Rafael. In fact, citywide rents have been relatively flat and when compared to last year have decreases by roughly half percent. Creating a new rent control policy will have very little impact on a tenant who is unable to pay rent due to COVID-19.

Furthermore, rent control policies have significant negative consequences. It is generally agreed upon that one of the best ways to reduce rents is to build more rental housing units. Rent control does the opposite; it discourages builders from building and investors from lending. The result is less housing which leads to higher rents. While we recognize the proposed rent freeze is limited in scope and is temporary in nature, it is likely to have a long-term negative impact on

the City of San Rafael and the Canal neighborhood. But most importantly, a rent control policy is not going to provide immediate help to struggling tenants. Rather than adopting a rent freeze, as limited as it may be, the City Council should pursue additional rental assistance funding which will directly help struggling tenants and landlords.

Earlier this month, Governor Newsom announced plans to distribute \$2.6 billion in federal rental assistance funding with Marin County receiving an additional \$7.7 million for rental assistance. Additionally, the State Legislature is currently considering Assembly Bill 16 which will provide more rental assistance funding. Furthermore, last week, President-elect Biden announced his \$1.9 trillion stimulus plan which includes \$25 billion for rental assistance. Combined, these funds will provide significant assistance to those in most need and we urge the Council to focus on securing, programing and quickly distributing these funds to help the residents of the Canal neighborhood rather than adopting a rent control policy.

Should the City move forward with adopting a rent control policy within the Canal neighborhood, we respectfully request the following amendments be considered:

- 1. Section 5 states that a rent freeze applies to all rental units located within the U.S. Census Tract 1122.01 and 1122.02.
 - If the City's intent is to help those impacted by the pandemic than this policy should only apply to those impacted by COVID-19. As such, we request amending this section to only apply to rental units within the two designated census tracks where a COVID-19 hardship is demonstrated.
- 2. Section 4 states a decrease in housing services is considered an increase in rent.
 - A property owner may be forced to decrease or limit access to housing services/amenities such as laundry rooms, fitness facilities, recreation areas or any other common space area(s) to comply with local, state, or federal health orders. As such we suggest the following language to be added:
 - i. A landlord who temporarily reduces or makes unavailable a service or amenity as the result of compliance with federal, state, or local public health orders or guidelines shall not be considered to have provided different terms or conditions of tenancy, reduced housing services, or increased rent.
- 3. Add language to require a tenant impacted by COVID-19 to cooperate with the landlord who is applying for rental assistance. Removing barriers for landlords applying for rental assistance will help expedite the distribution of funding should it becomes available. Consider adopting the following language:
 - "Tenant shall agree to cooperate with the landlord in applying for rental assistance programs, including signing all necessary forms and provide all information required by the program, including any information required to determine eligibility and/or priority status, and/or demographic information necessary for program reporting requirements."

CAA applauds the City's efforts to assist both tenants and landlords impacted by COVID-19. We respectfully request the City not to adopt a rent freeze policy but rather focus on securing additional state and federal rental assistance funds which will help impacted renters remain in their homes.

Sincerely,

Alex Khalfin

Alex Khalfin Vice President of Public Affairs California Apartment Association – North Bay

To the San Rafael City Council

Janet Lipsey Mon 1/18/2021 9:36 PM To: Lindsay Lara <Lindsay.Lara@cityofsanrafael.org> To the San Rafael City Council:

My name is Janet Lipsey, with Congregation Rodef Sholom and the Marin Interfaith Council, members of the Marin Organizing Committee. I'm writing to strongly urge you to vote to implement a one-year emergency moratorium on rent increases in the Canal neighborhood. The stories you heard Monday night clearly illustrated the need for this emergency moratorium.

The COVID-19 crisis is pushing many of our neighbors deep into debt, and yet we're still hearing stories from renters who are receiving rent increases. A moratorium on rent increases is a simple way to protect public health, our economy, and our community members.

We, as a community, must look out for our neighbors and the well-being of the entire county as we forge new pathways to stability in these perilous times.

Thank you,

Janet Lipsey San Rafael CA

Moratorium on renter eviction

joan hanna

Tue 1/19/2021 9:53 AM

To: Lindsay Lara <Lindsay.Lara@cityofsanrafael.org>

Dear City Council Members,

I am a Dominican Sister and a member or MOC (Marin Organizing Committee); I support your extension of the renter protections for families and individuals in the Canal Neighborhood and wish it could be extended to all areas in San Rafael.

Thank you for your actions on behalf of the needy in our City.

Sister Joan Hanna, OP

San Rafael, CA 94901

Joan Hanna, O.P.

Request for consideration at the City Council meeting tonight

 Karen Auroy

 Tue 1/19/2021 9:50 AM

 To: Lindsay Lara <Lindsay.Lara@cityofsanrafael.org>

To the San Rafael City Council:

My name is **Karen Auroy** with **UU of Marin**, a member of the Marin Organizing Committee. I'm writing to ask you to vote to implement a one-year emergency moratorium on rent increases in the Canal neighborhood. The COVID-19 crisis is pushing many of our neighbors deep into debt, and yet we're still hearing stories from renters who are receiving rent increases. A moratorium on rent increases is a simple way to protect public health, our economy, and our community members.

Thank you,

Karen Auroy

emergency moratorium on rent increases

Leigh Ann Townsend

Tue 1/19/2021 10:48 AM

To: Lindsay Lara <Lindsay.Lara@cityofsanrafael.org>

To the San Rafael City Council:

My name is Leigh Ann Townsend, with MVCAN, a member of the Marin Organizing Committee. I'm writing to ask you to vote to implement a one-year emergency moratorium on rent increases in the Canal neighborhood. The COVID-19 crisis is pushing many of our neighbors deep into debt, and yet we're still hearing stories from renters who are receiving rent increases. A moratorium on rent increases is a simple way to protect public health, our economy, and our community members. I've lived in Marin for 22 years, most of them as a renter. I grew up with a single mother in San Francisco, in low-income housing. I know first hand what it is like to experience stress when you can't make the rent and are struggling to keep a job. With the pandemic, we need to support our neighbors. It's the very least we can do.

Thank you,

Leigh Ann Townsend

San Rafael

moratorium on rent

Lorraine Amodeo

Tue 1/19/2021 9:17 AM To: Lindsay Lara <Lindsay.Lara@cityofsanrafael.org> To the San Rafael City Council

My name is Sister Lorraine Amodeo, with The Dominican sisters of San Rafael, a member of the Marin organizing Committee. I am writing to ask you to vote to implement a one-year emergency moratorium on rent increases in the Canal Neighborhood. The Covid -19 crisis is pushing many of our neighbors deep into debt, and yet we are still hearing stories from renters who are receiving rent increases. A moratorium on rent increases is a simple way to protect public health, our economy, and our community members. Those of us who do not live in the Canal area need to be aware of the added hardships these neighbors of ours face.

Thank you, Sister Lorraine Amodeo, O.P.



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Lisel Blash, Housing Specialist

P.O. Box 9633 San Rafael CA 94912 www.MarinMEHC.org MarinMEHC@gmail.com January 18, 2020

San Rafael City Council 1400 Fifth Ave., Rm. 209 San Rafael, CA 94901

Dear Mayor and Councilmembers:

Marin Environmental Housing Collaborative (MEHC) is a consortium of advocates building support for projects and policies that advance affordable housing as well as environmental integrity and social justice. MEHC urges you to adopt the rent freeze urgency ordinance for the Canal census tracts. We thank you, your staff, the Canal Working Policy Working Group, Community Action Marin, and Legal Aid of Marin for the careful preparation and thoughtfulness that went into developing this ordinance.

While the County has recently extended its eviction moratorium through June, this moratorium does not cover "economic evictions", those instances in which tenants leave because of rent raises that the tenants do not believe they can cover. For a household paying more than half of its income to rent even before the pandemic hit, a rent raise of 5% would be devastating. A recent study from the Joint Center for Housing Studies at Harvard found that 62% of working age renter households "don't have enough income to meet a modest but comfortable standard of living after paying rent." That impact is exponentially worsened for tenants with back rent due to COVID-19 related income loss. Another recent study from UCLA's Fielding School of Public Health found that evictions are tied to an increase in coronavirus cases and deaths. As the staff report points out, low-income communities of color in Marin like the Canal are disproportionately impacted by COVID-19, related income loss, and an existing and worsening crisis in lack of affordable and adequate housing.

While the County of Marin, MCF, and others are allocating considerable funding to rental assistance, it does not seem wise to waste the taxpayers' and donors' dollars on unwarranted rent increases during a public health emergency.

MEHC continues to support an expansion of this rent freeze to cover other households facing distress that may not fall in the target area—there are clearly other census tracts illustrated in the staff report that evidence need (1110, for example. We also support a ban on all evictions (except those related to health and safety) through the end of 2021. COVID-19 is not going to discriminate based on whether an individual was evicted due to pandemic-related income loss or other causes.

Please continue to explore ways that you can help renters stay safely in their homes while providing property owners with the assistance they need to stay in business and manage their properties fairly and efficiently.

Sincerely,

Respectfully,

lei

David Levin Co-Chair

Sami Meruch

Sami Mericle Co-Chair

rent moratorium

sander stadtler Mon 1/18/2021 9:00 PM To: Lindsay Lara <Lindsay.Lara@cityofsanrafael.org>

To the San Rafael City Council:

My name is Sander Stadtler, with Congregation Kol Shofar and also a volunteer at Legal Aid of Marin, both members of the Marin Organizing Committee. I'm writing to ask you to vote to implement a one-year emergency moratorium on rent increases in the Canal neighborhood. The COVID-19 crisis is pushing many of our neighbors deep into debt, and yet we're still hearing stories from renters who are receiving rent increases. A moratorium on rent increases is a simple way to protect public health, our economy, and our community members. I have seen my case intakes at the Legal Aid office go from approx. 1/3 rent related to 100% over the past 2 years. This has been most pronounced since the Covid crisis. For the welfare of our overall community I ask for you to vote to maintain the rent increase moratorium.

Thank you,

Sander Stadtler

Sent from Mail for Windows 10

Re: Update on Rent Freeze Urgency Ordinance

Kate Colin <Kate.Colin@cityofsanrafael.org> Fri 1/15/2021 11:10 AM

To: Catherine Quffa <Catherine.Quffa@cityofsanrafael.org>;

Cristine Alilovich <Cristine.Alilovich@cityofsanrafael.org>; Maika Llorens Gulati Lindsay Lara <Lindsay.Lara@cityofsanrafael.org>; Jim Schutz

<Maika@cityofsanrafael.org>; <Jim.Schutz@cityofsanrafael.org>

Hello all - Thanks for your input and I've copied our City Clerk so she can have your important feedback be part of the public record on this topic. We very much appreciate the ability to engage in conversation with you about this and future topics affecting property owners and tenants.

Kate Colin Mayor, City of San Rafael



From: Catherine Quffa <Catherine.Quffa@cityofsanrafael.org>

Sent: Friday, January 15, 2021 10:47 AM

Cristine Alilovich	
<cristine.alilovich@cityofsanrafael.org>; Kate Colin <kate.colin@cityofsanrafael.org>; Maika Llorens Gulati</kate.colin@cityofsanrafael.org></cristine.alilovich@cityofsanrafael.org>	

<Maika@cityofsanrafael.org>;

Subject: RE: Update on Rent Freeze Urgency Ordinance

Thanks so much, Scott and Sandro, for sharing these concerns with us. We will definitely be taking this feedback into consideration as we move forward and continue to work on these challenging issues.

We hope to convene this group again in early February to have a more thorough discussion of these concerns and how they might be addressed. At that time, we should have more detailed information on the \$7.75 million in additional federal rental assistance funding that will be disbursed directly to landlords, which can help to inform our discussion.

More to come soon and thank you all again for being a part of these discussions!

Catherine Quffa | City of San Rafael

Assistant Library and Recreation Director Library and Recreation

From:

Sent: Thursday, January 14, 2021 5:31 PM To: Catherine Quffa <Catherine.Quffa@cityofsanrafael.org> Cc:

Cristine Alilovich <Cristine.Alilovich@cityofsanrafael.org>; Kate Colin <Kate.Colin@cityofsanrafael.org>; Maika Llorens Gulati <Maika@cityofsanrafael.org>;

Subject: Re: Update on Rent Freeze Urgency Ordinance

Thank you Catherine,

I'm in agreement with Scott. The stats support flat to reduced rents in San Rafael. I haven't increased rents in a couple of years. So why are we introducing another new ordinance? We should be focusing on providing rental assistance to those needy tenants in the Canal (not just those who can demonstrate their citizenship).

Mail - Lindsay Lara - Outlook

If a landlord is faced with a tenant who is having difficulty paying rent it behoves him to work with the tenant rather than begin the long and expensive eviction process. It's not only the right thing to do it's the smart thing to do. If we truly believe that the financial burden in these zip codes is widespread then why would a landlord evict and have a vacancy. I myself have no plans to increase rents but I would defend the landlords' ability to raise rents if they have a legitimate justification (i.e.-they have a vacancy and have been significantly below market, etc). It's not the city's place or the county's place to define.

Adding another ordinance/law on the shoulders of small landlords pushes more and more of us out of the market. I have friends who are selling their properties because they are fearful of lawsuits and can't afford to operate with the increase in insurance premiums, repairs, property taxes, and utilities. (As a side note, the cost of plumbers, contractors and other repair-people has probably gone up 15-20% in the past year alone. I don't see any regulation on those costs.) In the City of San Rafael we already have mandatory mediation if rents increase by 5%. If a landlord were to bring an increase the city would know about it and can become involved via mediation.

I am horrified at the financial crisis. We must help those less fortunate. From my perspective, I am happy to work with tenants and keep rents flat but the City of San Rafael is not putting it's energy in the right place by passing this ordinance. It will only reduce the inventory of small, local landlords.

Sincerely

On Jan 14, 2021, at 12:00 PM, Scott Gerber

wrote:

Thank you Catherine,

As a matter of personal choice, most owners are not raising rents. Additionally, as I mentioned on a recent zoom call, the rental market has not been rising for almost two years. Therefore, there is no need or foundation for this proposed ordinance.

Some owners are getting squeezed and are near the breaking point. This proposed ordinance may push them into foreclosure.

Background

Let us be reminded that if the cost of anything whether it be a product, service or housing CAN be increased, there is a

shortage of it <u>Or</u> there it's particular price has fallen artificially (not moving in step with market conditions) below the average cost of that item. This is more an example of the latter. Artificially low pricing.

Therefore, by definition, if one's rent CAN be increased, the tenant in this case has been benefitting from below market rent. The example is, if the rent can be increased by let's say \$300, the tenant has been receiving a discount of \$300 for whatever period of time. Essentially, every month, the owner is giving them \$300.

At some point, the owner may not be a position to give away the difference between fair market rent and what is being charged and they need to be able to adjust for any of a variety of reasons like-maintenance, personal needs like their spouse has a costly medical condition, etc.

The role of government is to provide a foundation for the community to exist and thrive. It is not to "take sides" and or legislate unfair practices like the imposing of restrictions that create a greater burden on, in this case, housing providers. As I said earlier, because of State restrictions on owner's ability to collect rent, some owners are perilously close to foreclosure.

The attached document in your email does not demonstrate a greater threat to residents than to owners.

Please be reminded that rental property owners need customers. They can't throw their customers out if there are no other customers to replace them with.

See attachment-Marin Rent Survey Summer 2020- Look at page 2 top left corner where rent change since 2019 is indicated. San Rafael rents have DECREASED.

The fact that rents are not rising is clear demonstration of the fact that there are not an abundance of new residents, which is why rents have not increased for two years.

Owners will not evict tenants if there is a chance of being paid. Move your focus to securing rent funding for the back rents owed so that these owners do not go into default and foreclosure and you are left with a new cast of charactersout of area/state institutions that have no connection to the local community.

Again, there is no foundation for this ordinance-it is well intended but needs to be rejected and new efforts to secure rent funding support for the residents of this community.

That is what is best for all parties.

Scott Gerber Managing Director

San Rafael, CA 94901



From: Catherine Quffa <<u>Catherine.Quffa@cityofsanrafael.org</u>> Sent: Thursday, January 14, 2021 11:11 AM To:

Cc: Cristine Alilovich <<u>Cristine.Alilovich@cityofsanrafael.org</u>>; Kate Colin <<u>Kate.Colin@cityofsanrafael.org</u>>; Maika Llorens Gulati <<u>Maika@cityofsanrafael.org</u>>

Subject: Update on Rent Freeze Urgency Ordinance

Hello all,

We wanted to provide this group with a quick update on the City's efforts regarding a temporary rent freeze. This coming Tuesday, January 19, the San Rafael City Council will be considering an ordinance that would enact a temporary moratorium on rent increases ("rent freeze") for tenants of certain residential units through December 31, 2021. The proposed temporary moratorium would solely apply in two designated US Census Tracts, Tract Nos. 1122.01 (Canal Neighborhood) and 1122.02 (Southeast San Rafael and Canal neighborhood). These two census tracts have been most disproportionally impacted by COVID-19 and have the greatest level of housing instability. The rent freeze would not apply to single-family homes, properties containing one or two housing units, accessory dwelling units, and residential units for which an initial Certificate of Occupancy was issued on or after February 1, 1995.

We have attached the staff report that will be submitted with this proposal to City Council, along with the relevant attachments that include the proposed ordinance and a map of the impacted census tracts. Please let us know if you have any questions. If you would like to attend or participate in Tuesday's City Council meeting, additional information on that is below.

Additionally, the County received exciting news that they will be receiving approximately \$7.7 million in rental assistance through the federal stimulus package. That is in addition to the \$2.8 million of CDBG and Marin Community Foundation <u>rental assistance funding</u> that is currently being disbursed. Similar to the current round of rental assistance, these funds will be distributed directly to property owners/landlords. We do not yet have many details on this new funding, but will keep you updated as we learn more.

CITY COUNCIL MEETING DATE/TIME/LOCATION: Tuesday, January 19, 2021, 7:00 p.m. COVID-19 ADVISORY NOTICE Consistent with Executive Orders No.-25-20 and No. N-29-20 from the Executive Department of the State of California and Marin County Shelter in Place Order, the San Rafael City Council meeting of January 19, 2021 will not be physically open to the public and the meeting will be streamed live to YouTube at https://www.youtube.com/cityofsanrafael. Instructions on how to participate online, will be available on the YouTube channel.

HOW TO PROVIDE PARTICIPATE AND PUBLIC COMMENTS: You can send written correspondence by email to Lindsay Lara, City Clerk at <u>lindsay.lara@cityofsanrafael.org</u> address above prior to the meeting, you can comment online in real-time on YouTube. If you do not have access to internet, contact the City Clerk to discuss alternative options for remote participation at 415-485-3066.

If you have any additional questions, please feel free to contact me via email or my cell phone

Best,

Catherine Quffa | City of San Rafael Assistant Library and Recreation Director Library and Recreation P: 415.485.3078 F: 415.485.3186 www.livelifelocally.org

<image003.jpg>

<Summary Summer 2020 Marin Rent Survey.pdf>

meeting

Sr. Emmanuel Cardinale

Tue 1/19/2021 10:03 AM To: Lindsay Lara <Lindsay.Lara@cityofsanrafael.org> To the San Rafael City Council:

My name is Emmanuel Cardinale with Dominican Sisters, a member of the Marin Organizing Committee. I'm writing to ask you to vote to implement a one-year emergency moratorium on rent increases in the Canal neighborhood. The COVID-19 crises is pushing many of our neighbors deep into debt, and yet, we're still hearing stories from renters who are receiving rent increases. A moratorium on rent increases is a simple way to protect health, our economy, and our community members.

Thank you, Sr. Emmanuel Cardinale