

PASADENA RENTAL HOUSING BOARD MEETING MINUTES
SEPTEMBER 27, 2023 – 6:00 P.M.
ROBINSON PARK RECREATION CENTER, MULTI-PURPOSE ROOM

OPENING Chair Bell called the meeting of the Pasadena Rental Housing Board to order at 6:04 p.m.

ROLL CALL: Chair Ryan Bell
Vice Chair Brandon Lamar
Board Member Deborah Dunlop
Board Member Lourdes Gonzalez
Board Member Allison Henry
Board Member Emanuel Najera
Board Member Barbara Pitts
Board Member Dianne Romero Chavez
Board Member Arnold Siegel (Absent)
Board Member Yaneli Soriano Santiago
Board Member Adela Torres
Alternate Board Member Peter Dreier (At-Large)
Alternate Board Member Aaron Markowitz (Tenant)

Staff: Karen Tiedemann, Goldfarb Lipman Attorney-Via Zoom
Agnes Cho, bhyv Consulting-Via Zoom
Nazanin Salehi, Goldfarb Lipman Attorney-Via Zoom
Desiree Acosta, Recording Secretary

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA Joycelynn Tan, Pasadena realtor, requested clarification regarding the annual general adjustment in terms of rent increases (noting that her question was emailed and had yet to receive a response), and the percentage adjustment currently allowed under the adopted provisions.

Jeremy Fremlin, Pasadena resident, requested clarification on rent overpayments and rental increases by his landlord (in relation to the rental rollback), and advice on how to proceed under the provisions of the Charter Amendment.

Sally Follet, Pasadena resident and landlord in Pasadena, spoke on tenant and landlord relationships, and requested information on how to be considered for position on the PRHB.

Swantje Willms, Pasadena resident, requested clarification on rent overpayments to landlords (in relation to the rental rollback) and advice on landlord harassment issues.

Benito Sanchez, Pasadena resident, reiterated his concerns with the purchase of his property, the need for clarification on how to handle his situation, and the issues with PRHB email and delays in responses.

Dennis Jebbia, Pasadena resident, provided comments and concerns on regarding Resolution No. RHB-2023-03 pertaining to the Annual General Adjustment, and the need for clarity as this information needs to be clearly stated in writing for tenants and landlords.

Nancy Tafoya-Gutierrez, Community Services Representative at Jackie Robinson Community Center, noted that her office provides legal services for landlord/tenant issues, has concerns with advising tenants on their rights to withholding rent, the language being used by the PRHB, and the impacts this may have on tenants being evicted.

APPROVAL OF MINUTES

Chair Bell had the following corrections for the minutes, first page, first paragraph, change “tent” to “tenants”; and on the fourth page, first sentence, the end of the sentence should read, “....Page 1, Exhibit A, Section A Purpose, 10th line, correcting the citation, as follows: ...Charter Section 2803(e) to 1803(c).”

It was moved Vice Chair Lamar, seconded by Member Pitts, to approve the minutes of August 23, 2023, regular meeting, as amended:

AYES: Board Members Dunlop, Gonzalez, Henry, Najera, Pitts, Romero Chavez, Soriano Santiago, Torres, Vice Chair Lamar, Chair Bell, Alternate Member Dreier

NOES: None

ABSTAIN: None

ABSENT: Member Siegel

NEW BUSINESS

ADOPTION OF RESOLUTION ESTABLISHING RELOCATION ASSISTANCE REGULATIONS

Recommendation: It is recommended that the Pasadena Rental Housing Board:

- (1) Find that the proposed actions are exempt from the California Environmental Quality Act (“CEQA”) pursuant to State CEQA Guidelines Section 15061(b)(3) (common sense exemption); and
- (2) A resolution of the Pasadena Rental Housing Board adopting regulations establishing relocation assistance and relocation services to be provided by landlords to tenants displaced by no-fault evictions and large rent increases.

Chair Bell introduced the item, and Nazanin Salehi, Goldfarb Lipman, summarized the item as part of a PowerPoint presentation on the agenda item, and responded to questions.

Board Member Markowitz requested clarification on whether the moving expense allowance would be adjusted by the actual Consumer Price Index (CPI) increase, or 75% change of CPI.

Following discussion, Counsel Salehi noted that based on the language in the City Charter, the Moving Expense Allowance schedule as detailed in Exhibit B to the resolution would have to be adjusted, since it was calculated based on the Annual General Adjustment (meaning 75% of CPI), and not the full CPI, and that the chart will be corrected to reflect the full CPI amount.

Following discussion, Board Member Gonzalez sought clarification regarding the amounts set forth in Exhibit B to the resolution, Base Payment and Special Circumstances Payment Schedule, for relocation assistance, and stated her concerns regarding the amounts detailed in the charts, noting that this will have an impact on future rental rates due to the increased costs and liabilities to landlords especially in cases of no-fault evictions, and could have a long-term impact on future rents in Pasadena going forward.

Vice Chair Lamar also expressed his concerns with the relocation amounts identified in Exhibit B, and requested that this information be clearly and plainly stated to ensure that it will be understood by landlords and tenants.

In response to Member Gonzalez's comments, Chair Bell asked if the PRHB could create a fund for landlords, which may have hardship issues to pay relocation expense, to help support the tenant relocation fee.

Following discussion on impacts to landlords and alignment of the fees with other cities, and the possible creation of a separate program or the availability of existing programs, to support landlords with relocation assistance costs, the following individuals provided public comment on the item:

Max Sherman, spoke on behalf of the Apartment Association of Greater Los Angeles (AAGLA), is concerned with the resolution and the proposed fees, and suggested the Board reconsider and further revise the resolution to lessen the impact on landlords.

Adam Bray-Ali, Pasadena resident, expressed his concerns with the proposed action, stating the fees are additive (thus not comparable to other surrounding cities), and detailed how this item would impact landlords.

Michelle White, Pasadena resident, advocated for a work-around for landlords that keep rents affordable, including Section 8 landlords, where rents are kept below market rates.

Sally Follett, Pasadena resident, has concerns regarding the relocation assistance costs that are being proposed as part of the recommended action.

Swantje Willms, Pasadena resident, requested clarification on the relocation assistance amounts under special circumstances.

Roland Fernandez, Pasadena resident, requested information on No Fault Eviction notices, and when the Board would make those available, and expressed concerns with the accuracy of the figures in the Base Payment and Special Circumstances Payment Schedule Table in Exhibit B related to "2-bedrooms" column.

Victor, residence not stated, noted that although landlords might feel hardship due to relocation costs, tenants also feel hardships during no-fault evictions, and requested clarification on the applicability of the proposed action in terms of on-going 60-day notice situation related to the proposed action.

Robert Escobedo, residence not stated, spoke in support of the proposed action, but requested the PRHB consider whether the proposed amounts for relocation assistance might be too high.

Rian Barrett, spoke on behalf of the Pasadena Foothills Realtors, expressed her concerns with the relocation assistance amounts detailed in the proposed action, and advised the PRHB to take a balanced approach to avoid harming landlords.

Alternate Member Dreier suggested that after the establishment of the Rental Registry, the Board might consider adjusting the relocation assistance amounts based on the data from the registry.

Vice Chair Lamar requested whether a separate relocation assistance table be created for landlords with properties of 8 or fewer units.

Following discussion, it was moved by Board Member Henry, seconded by Board Member Pitts, to approve the recommended action:

AYES: Board Members Dunlop, Henry, Najera, Pitts, Romero Chavez,
Soriano Santiago, Chair Bell, Alternate Member Dreier
NOES: Members Gonzalez, Torres
ABSTAIN: Vice Chair Lamar
ABSENT: Member Siegel

ADOPTION OF INTEREST RATE FOR SECURITY DEPOSITS FOR 2024

Recommendation: It is recommended that the Pasadena Rental Housing Board:

- (1) Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3) (common sense exemption); and
- (2) A resolution of the Pasadena Rental Housing Board adopting the Interest Rate for Security Deposits for 2024 and adopting Regulations Related to Security Deposits.

Chair Bell introduced the item, and Karen Tiedemann, Goldfarb Lipman, summarized the item as part of a PowerPoint presentation.

Following discussion, Board Member Najera requested clarification on the formula for the interest rate, as well as why the ad hoc committee prioritized banks with the five highest interest rates.

The following individuals expressed concerns with the proposed interest rate calculation and/or recommended action:

Max Sherman, spoke on behalf of the AAGLA group
Adam Bray-Ali, Pasadena resident

The following individuals requested clarification on the proposed interest rate calculation, process for requiring the landlords to comply with the proposed action, and/or when it will go into effect:

Michelle White, Pasadena resident
Alan Bair, Pasadena resident
Swantje Willms, Pasadena resident

Board Secretary Acosta reported on correspondence received by the Pasadena Rental Housing Board related to this item, which was distributed to the Board, posted online, and made part of public record.

Alternate Member Dreier noted that if the calculation of the interest was based on the average of all eight banks surveyed, the interest rate would be .41% instead of .64%.

Following questions related to the use of security deposits for repairs, the interplay of accumulated interest with security deposits, and the challenges this may create for some landlords in terms of understanding the complexities of this provision, it was reconfirmed by Counsel Tiedemann that the Charter now requires that interest be paid back to tenants on security deposits.

Motion:

Following discussion, it was moved by Board Member Henry, seconded by Member Pitts, to approve the recommended action.

Substitute Motion:

Following discussion, was moved by Board Member Najera, second by Member Pitts, to make a substitute motion to approve the recommended action, including amending the security deposit interest rate, as follows:

- Exhibit A to the Resolution, Page 1, Paragraph B, Security Deposit Interest, line six to read, "...banks with branches in Pasadena to determine the interest rate paid on saving accounts as of October 1 of the prior year and shall determine the average of the interest rate from the information received from banks surveyed."
- Page 1 of the Resolution, Paragraph starting with NOW, THEREFORE, BE IT RESOLVED, amend the last line to read, "...interest on security deposits to be paid to Tenants during the 2024 year shall be .41%."

AYES: Board Members Dunlop, Gonzalez, Henry, Najera, Pitts, Romero Chavez, Soriano Santiago, Torres, Vice Chair Lamar, Chair Bell, Alternate Member Dreier

NOES: None

ABSTAIN: None

ABSENT: Member Siegel

INFORMATIONAL ITEMS

AD HOC COMMITTEE REPORTS:

- A. STAFFING**
- B. FOUNDATIONS/STRUCTURE**
- C. COMMUNITY OUTREACH**
- D. POLICY AND PROGRAM DEVELOPMENT**

Vice Chair Lamar spoke on the Foundations/Structure ad hoc committee work, and introduced Agnes Cho, bhyv Consulting, to report on the Request for Proposal process for the rental registry, noting that the consultants and City staff are currently working together on a draft RFP.

Board Member Henry reported on the work of the Community Outreach ad hoc committee, including the planning and outreach for two upcoming educational workshops, with the first workshop for landlords and property owners taking place on October 17, 2023, and the second workshop for tenants occurring on October 18, 2023.

Board Member Henry also provided updates on responses to Rent Mail emails being handled by bhyv consultants, with the following statistical information provided as of September 22, 2023:

- 209 emails responded to emails received, with 18 remaining unanswered.
- Email topics/questions/issues include exemptions from Measure H, allowable rent increases, evictions, requests for forms, rent rollback procedures, relocation assistance, and harassment issues
- Weekly email averages are 45-60 emails per week

- Average email responses: 18-20 minutes of staff time to research and respond; approximately 1 to 2 days for response to be sent
- A full-time housing counselor will be needed to handle emails and phone calls in the future
- It was also noted that it will be necessary to procure resources to access ownership information

Board Member Torres expressed concerns with the response time to PRHB emails, and Chair Bell noted that the PRHB may need to hire a dedicated housing counselor to ensure that emails and phone calls receive timely responses. Chair Bell also requested that staff provide to him a scanned copy of all public speaker cards, to follow-up on some of the public comment concerns and questions stated at tonight's meeting.

Board Member Markowitz provided an update on Policy and Program Development ad hoc committee work, noting that the forms are currently online on the PRHB website under Forms.

**PUBLIC COMMENT
cont.**

Lillian Thompson, Pasadena resident, express concerns with her rent increase of 10%, noting that her building is not up to City code, and requested advice on how to address her issues.

**FUTURE AGENDA
ITEMS**

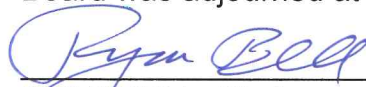
Chair Bell noted that current future items that will be heard by the PRHB in the coming weeks included the following:

- Additional funding for Allegra Consulting for Outreach Services
- Consideration of hiring interim housing counselors, including a job description, as well as hiring interim hearing officers, to address tenant and landlord issues and disputes
- Scheduling a series of trainings to be conducted by bhyv

Following discussion, by order of the Chair, and consensus of the Board, the information was received and filed.

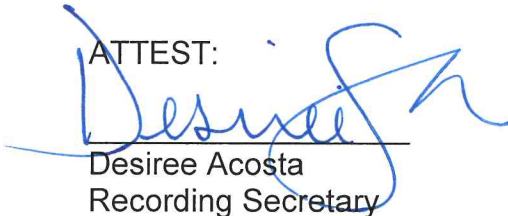
ADJOURNMENT:

On the order of the Chair, the meeting of the Pasadena Rental Housing Board was adjourned at 9:38 p.m.



RYAN BELL, Chair
Pasadena Rental Housing Board

ATTEST:



Desiree Acosta
Recording Secretary