

ADVISORY COMMISSION ON RENTS (ACR)

ACTION MINUTES OF THE MEETING AT 5:30 PM

JULY 15, 2010

MEMBERS PRESENT: James Bojorquez Commissioner (Chair)
Dan Wagner Commissioner (Vice Chair)
Michael Fitzgerald Commissioner
Naidu Ashok Commissioner
Robert Bailey Commissioner
Carlos Padilla Commissioner
Elaine Coombs Commissioner

STAFF: Aaron Quigley Councilmember Rose Herrera's
Office Staff
Shasta Greene Deputy City Attorney
Vivian Frelix-Hart Policy & Planning Administrator
Rachel VanderVeen Housing Staff
James Stagi Housing Staff
Don Ludwig Housing Staff
Ramo Pinjic Housing Staff

MEMBERS ABSENT: None

GUESTS: Isaacs Josef PG&E Representative

LOCATION: CITY OF SAN JOSÉ 12TH FLOOR, ROOM T-1254

AGENDA ITEM

- (a) **Call to Order/Introduction**
The meeting was called to order at 5:30 p.m. Commissioners, City staff and guests introduced themselves.
- (b) **Orders of the Day**
Commissioner Bailey made a motion to move up Action/Discussion Item "Going Green". Commissioner Wagner seconded the motion. The motion passed (7-0).
- (c) **Approval of the March 18, 2010 Minutes**
Commissioner Bailey made a motion to approve the minutes. Commissioner Wagner seconded the motion. The motion passed (7-0).
- (d) **Reports**
- (1) **Legal Review/Update** – City Attorney, Shasta Greene, stated that the average medium income rent on affordable housing went down in 2010. Greene mentioned that on June 22, 2010, the City Council adopted a resolution amending its Inclusionary Housing Program.

- (2) **Quarterly Report** – Pinjic provided a summary of the staff reports (database, notice to vacate, case log, public outreach reports) for the third quarter FY 09/10.
- (3) **Real Facts Report** – Pinjic provided information on average rental rates for units in San José, and rental housing vacancies rates for the first quarter of 2010.

(e) **Action/Discussion Items**

- (1) **Budget Update** – Rachel VanderVeen said that the budget for the Rental Rights Program is in stable condition and rental fees for the property owners decreased for FY 2010/11.

VanderVeen mentioned that on July 1, 2010, the Assessor's Office released information that the tax increment will go down by 7.3% in FY 2010-2011. She said that the City of San José is facing \$116 million deficit for Fiscal Year 2010-2011.

- (2) **Neighborhood Stabilization Program (NSP 1&2) Update** – James Stagi and Don Ludwig, Housing Department staff, gave a presentation on the Neighborhood Stabilization Programs that the City of San José is administering. Ludwig explained how the foreclosure crisis has increased since 2007 due primarily to mortgage interest rate re-setting, job loss, and declining residential property values. As part of the Federal Recovery funding, San José received approximately \$5.6 million in NSP 1 funds, and is part of a consortium to administer an additional \$18.0 million in NSP 2 funding. The majority of the funds are for the purchase, rehabilitation and resale to low-moderate buyers of vacant, foreclosed homes. The presentation included the type of work completed on the twelve homes purchased to date and explained the goal of 64+ homes to be bought, rehabbed, and resold under the new NSP 2 Program. A request for Proposals for developers under the NSP 2 Program is set to be released later this month with contracts in effect in the fall of this year.
- (3) **Going Green** – Representative Isaacs Josef, from Pacific Gas and Electric Company (PG&E) gave a presentation about PG&E residential rebates. Mr. Josef informed the Commissioners about the following areas:
 - a) Appliances and General Improvement Rebate
 - b) California Advanced Homes Rebate
 - c) Solar Incentives New Construction Rebate
 - d) Solar Incentives Retrofit Rebate
 - e) Low Income Energy Partners Rebate

Mr. Josef mentioned that PG&E offers rebates on a variety of energy efficient products and improvements for residences. He said that when someone purchase and install these products, they could save energy and money while reducing their impact on the environment.

- (4) **2010 Report California Renters in Foreclosure** – Pinjic mentioned that the 2010 Foreclosure report discusses recent developments affecting tenants in foreclosed properties and analyzes foreclosure data from 2009. Pinjic said that this report explain the impact of the foreclosure crisis on tenants and provides a number of recommendations to protect and expand the rights of tenants in foreclosure situations.

Commissioner Wagner suggested that for the next meeting staff submit the number of foreclosed properties under the City ordinance, and the number of affected tenants.

- (5) **Discuss Proposed Changes to Boards and Commissions** – Vivian Frelix-Hart mention that the City Council approved the recommendation to reduce the number of Boards/Commissions meetings per year. The Advisory Commission on Rents (ACR) agreed to propose four regular meetings quarterly, and a retreat as a fifth meeting.
- (6) **Set the Date for Retreat (Combine with the regular meeting)** – A motion to combine the Retreat and the ACR regular meeting on Saturday, October 23, 2010, was made by Commissioner Bailey. Commissioner Padilla seconded the motion. The motion passed (7–0).
- (7) **ACR Work Plan for 2010** – The Commission agreed that the work plan should include the following:
- Number of Rent Control Properties in Foreclosure
 - Number of Tenants of the Rent Control Properties in Foreclosure
 - Presentation from Home Owners Association to Speak on Foreclosure

(f) **Open Forum**

Aaron from Councilmember Rose Herrera's Office mentioned that Santa Clara County's OUTREACH Mobility Management Center is offering two Programs: 1) Jump Start Program – this program, funded by grants from the County of Santa Clara and MTC Lifeline Transportation Program, provides subsidized car repairs for the CalWORKs participants. 2) Bike to Work Program - this program, funded through a grant from the County of Santa Clara, provides free bikes and safety helmets to CalWORKs participants and their teenage children to support their efforts to complete training to find and sustain unsubsidized employment.

(g) **Adjournment**

The meeting was adjourned at 7:25 p.m.