

Memorandum

TO: LESLYE CORSIGLIA
DIRECTOR OF HOUSING

FROM: Jessica Scheiner

SUBJECT: SEE BELOW

DATE: January 25, 2012

Approved

Date

1/25/12

COUNCIL DISTRICT: Citywide

SUBJECT: QUARTERLY REPORT DETAILING ACTIVITY IN THE HOUSING DEPARTMENT'S RENTAL RIGHTS AND REFERRALS PROGRAM

This report covers activities from July 1, 2011 to September 30, 2011. The Rental Rights and Referrals Program (RRRP) provides education and information to protect the rights of, and improve relations between, tenants and landlords. In rental disputes, knowing the law, having access to resources, and exploring options, can minimize conflict.

Program Highlights

Major actions taken during the first quarter of FY 2011-12 include:

- **Rental Housing Market Determination** – The Director of Housing determined that the City of San José was NOT experiencing a Severe Rental Housing Shortage. In the third quarter of 2011, the San José rental housing market had a 4.0% vacancy rate.

The City is considered to have a severe rental housing shortage if the vacancy rate for market rate apartment complexes in the City of San José is three percent or less.

As a result of this determination, "no-cause" notices served to tenants living in rent-controlled properties must be 90-day notices, or 60-day notices including an offer to arbitrate for those tenants who have lived in the unit for more than one year.

- **Commissioners Terms** – On 12/31/12 one of the Advisory Commission on Rents (ACR) tenant position terms will end. This vacancy will be in addition to the current vacant tenant position.

Applicants for the tenant position must live in a rent controlled apartment.

BOARD/COMMISSION/ COMMITTEE ROSTER YEAR 2011

NAME	DATE APPOINTED	3 YEAR TERM ENDS	DISTRICT REPRESENTS	ELIGIBLE FOR REAPPOINTMENT
Robert Bailey	12/02/08	12/31/11	10-Neutral	No
Naidu Ashok	06/02/09	12/31/11	2-Neutral	Yes
Carlos Padilla	06/08/10	12/31/12	4-Landlord	Yes
James Bojorquez	06/26/07	12/31/12	6-Neutral	No
Elaine Coombs	06/08/10	12/31/13	1-Tenant	Yes
Michael Fitzgerald	12/02/08	12/31/11	3-Landlord	Yes
Vacant			Tenant	NA

Quarterly Activities

Apartment Call Log Report Inquiries – The call log database tracked 776 inquiries during this period. The increase in calls from the previous quarter was likely because the rental market continues to tighten. (See Attachment A)

Petitions Filed – Thirty-four petitions were filed with the Program between July 1, 2011 and September 30, 2011. The number of petitions filed increased by 6% from the previous quarter. The increase in petitions filed was likely due to the continuing poor economy and high unemployment. (See Attachment 2A-1)

- Twenty-one petitions were regarding service reductions;
- Four petitions were regarding a rent increase above 8%;
- Seven petitions were regarding 60-day no cause evictions;
- Two petitions were ineligible for a mediation hearing;
- Twenty-five petitions were resolved voluntarily in mutual agreements;
- Five petitions were resolved by a Hearing Officer; and
- Two petitions were withdrawn.

Average San José Rents – According to RealFacts data, the average rent for apartments increased by 12% over the last year from \$1,497 to \$1,683. (See Attachment A-3)

Vacancy Rates – According to Real Facts in the third quarter of 2011, the San José rental housing market had a 4.0% vacancy rate. (See Attachment A-4)

Public Outreach – Rental Rights and Referrals Program staff attended two community events and made one presentation to a community group. A detailed list of the outreach events is attached to this report.

HONORABLE MAYOR AND CITY COUNCIL

Subject: Quarterly Report Detailing Activity in the Housing Department's Rental Rights and Referrals Program

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Notice to Vacate – During the first quarter of FY 2011–12, the Program received eighteen 30-day notices, eight 60-day notices, twenty 90-day notices, and one 120-day notice. The number of no-cause notices served to tenants remained fairly steady from the previous quarter.

Mobilehome Call Log Report – From July 1, 2011 through September 30, 2011 the program assisted 29 Mobilehome Park customers, a decrease of 37% from the previous quarter. The decrease in phone calls and correspondence is attributed to the resolution of the rent control issue.



Jessica Scheiner
Rental Rights and Referrals
Program Manager

Attachments

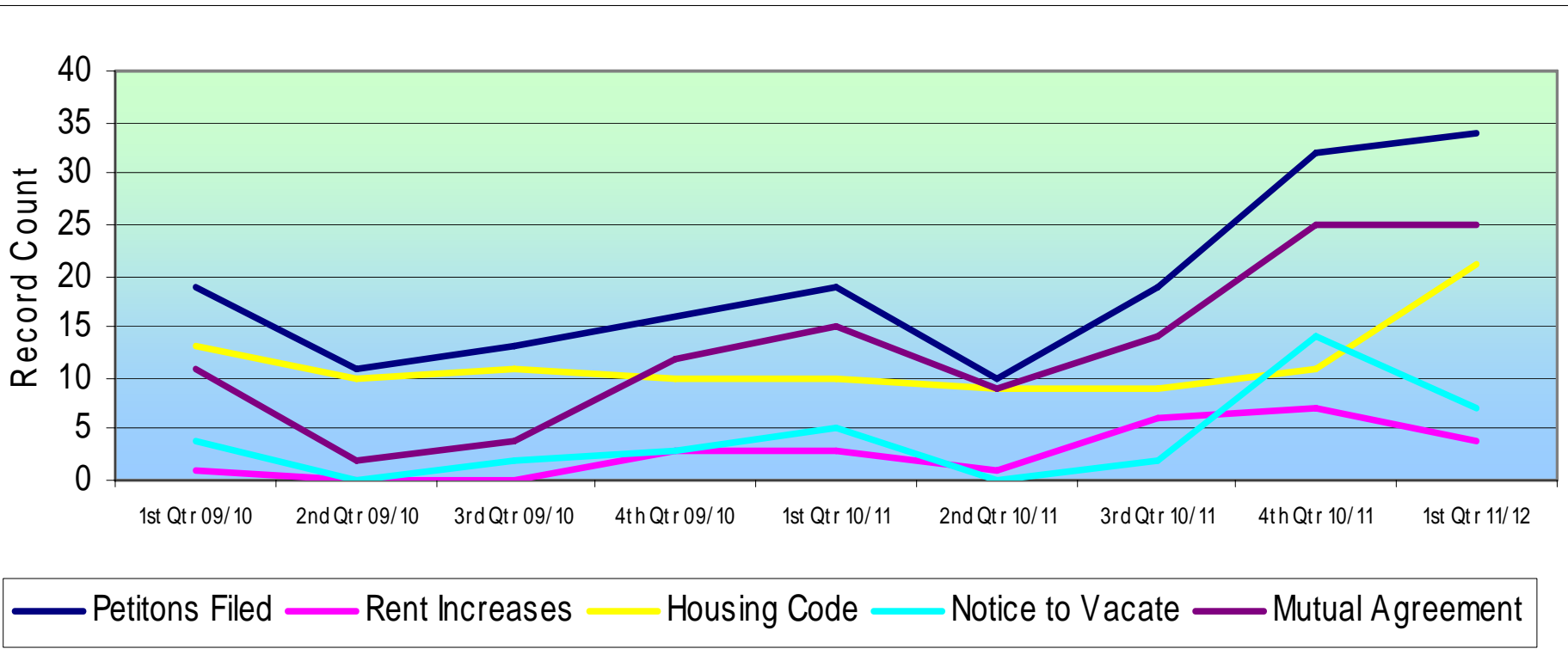
Number of Clients Increased 19% from Previous Quarter



SOURCE: The City of San José, Rental Rights & Referrals Case Log Report

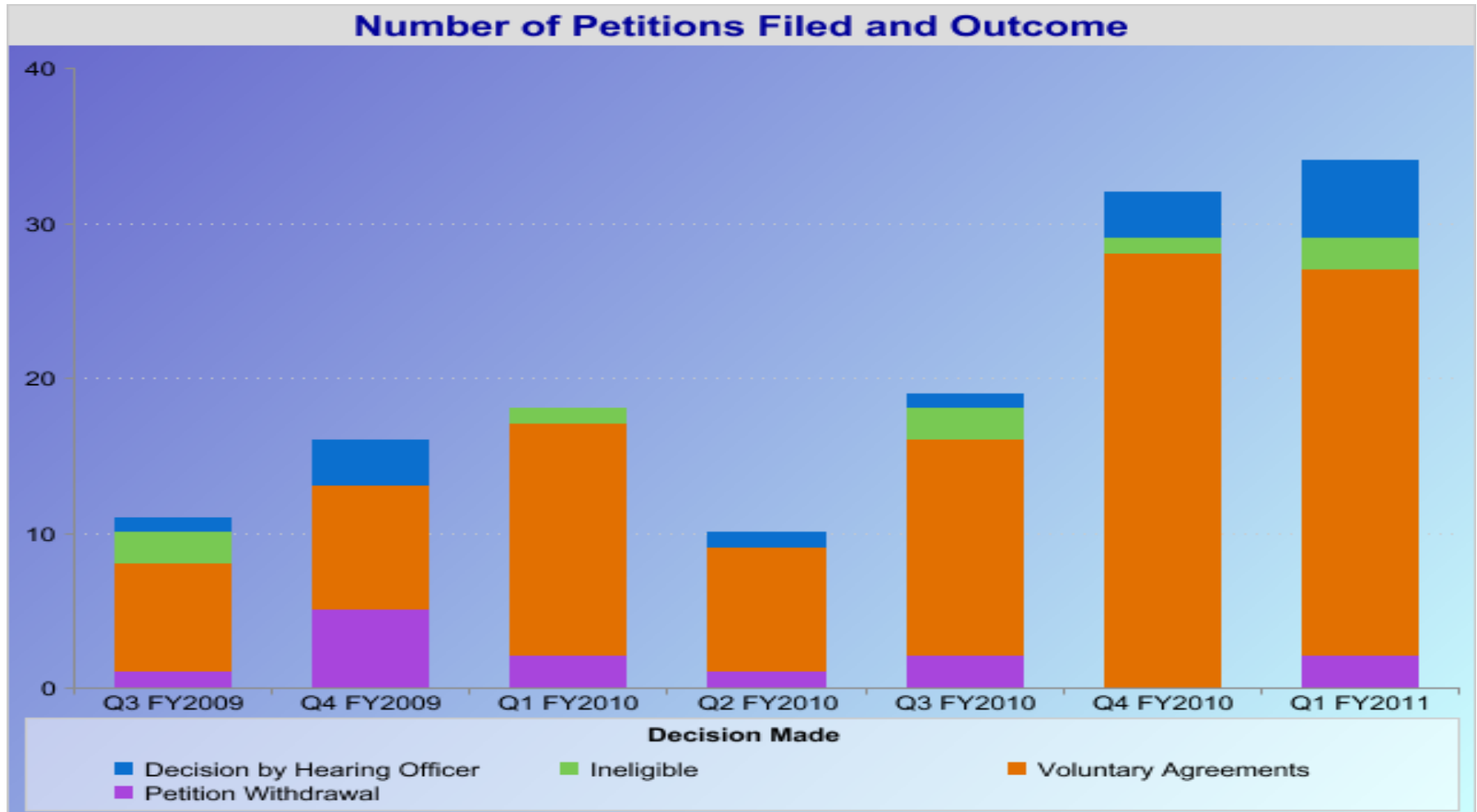
6% Increase in Petitions From Previous Quarter

Petitions Filed



SOURCE: Salesforce Data from 1st Quarter 2009/10 – 1st Quarter 2011/12

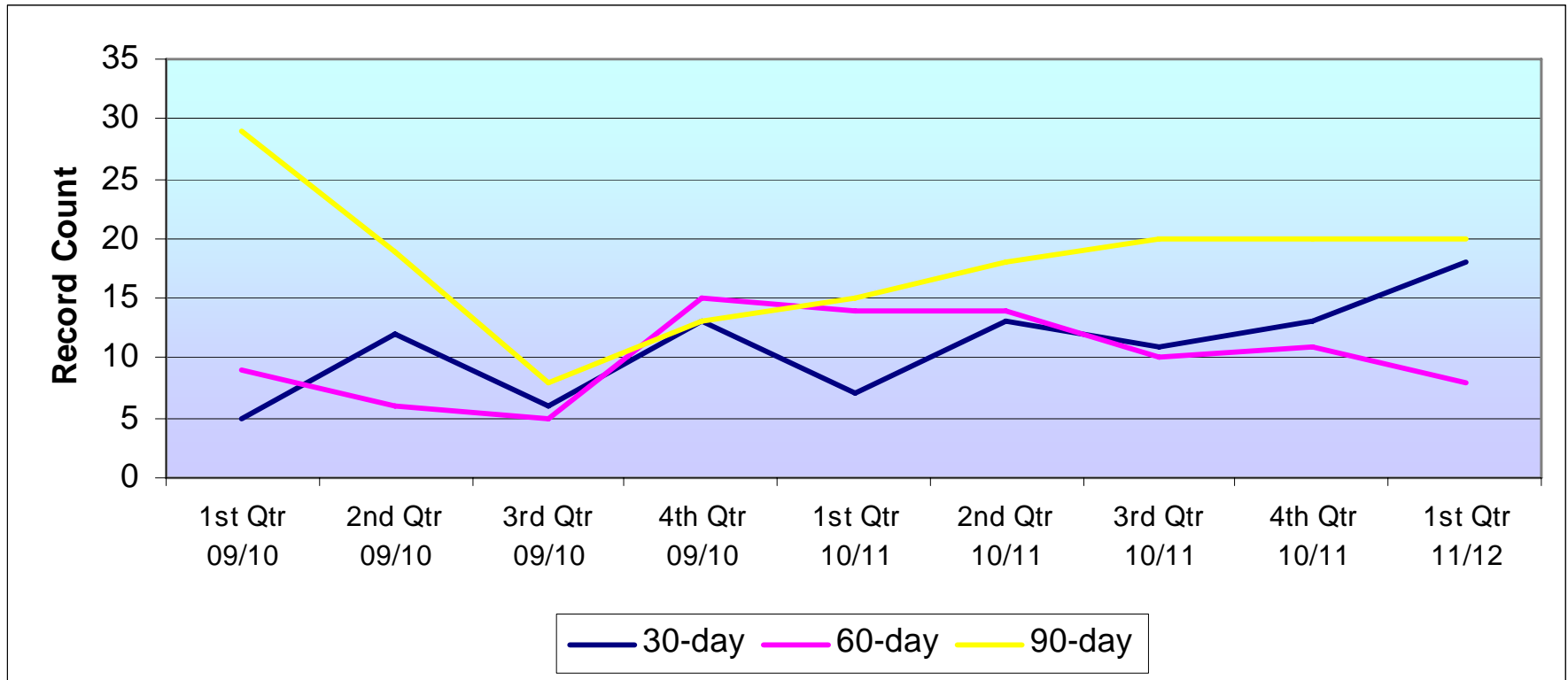
Total Number of Petitions Filed Increased 6% From Previous Quarter



SOURCE: The City of San José, Rental Rights & Referrals Case Log Report

of 90-Day Notice's Remain Steady

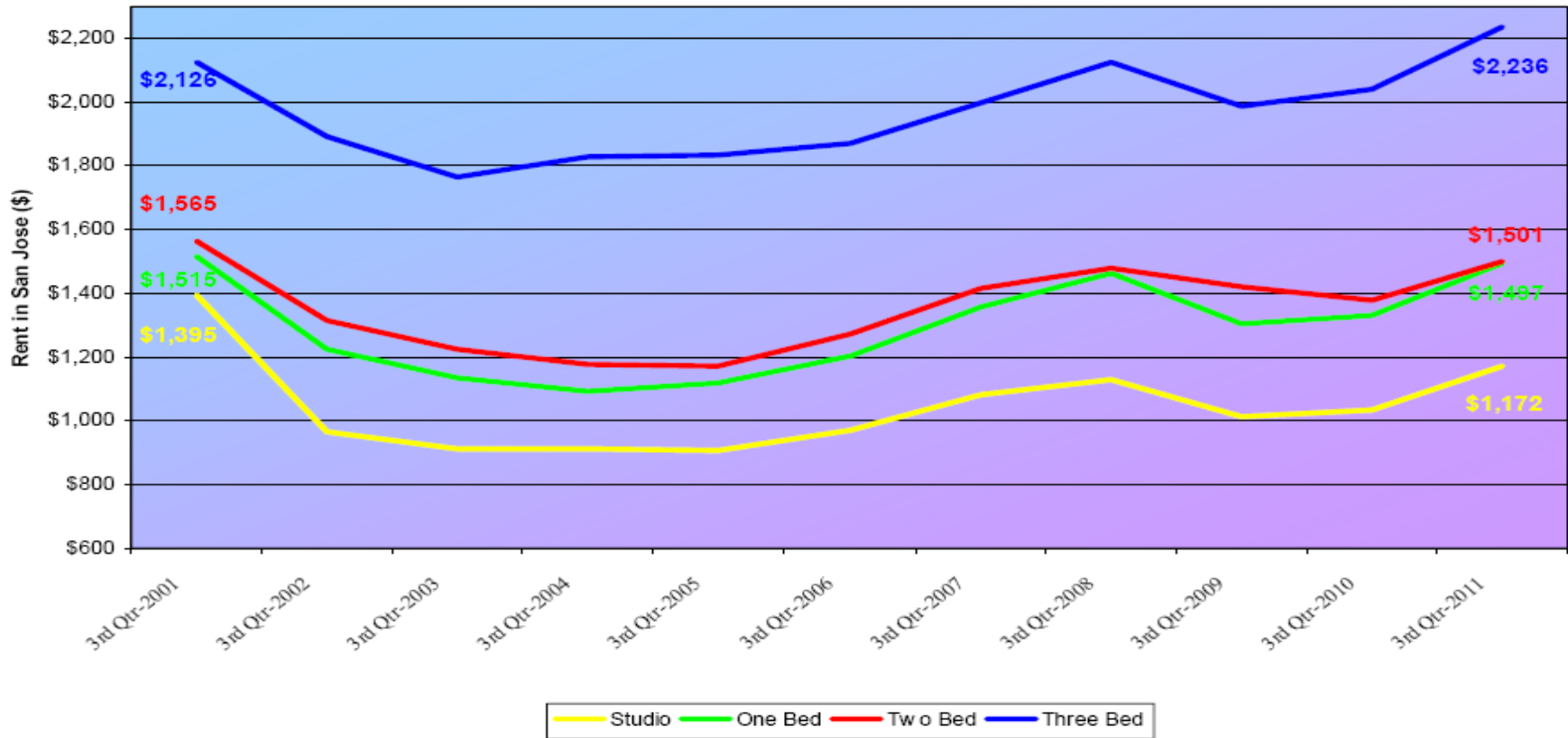
Notice to Vacate



SOURCE: Salesforce Data from 1st Quarter 2009/10 – 1st Quarter 2011/12

Average San José Rents Up 12% Year Over Year

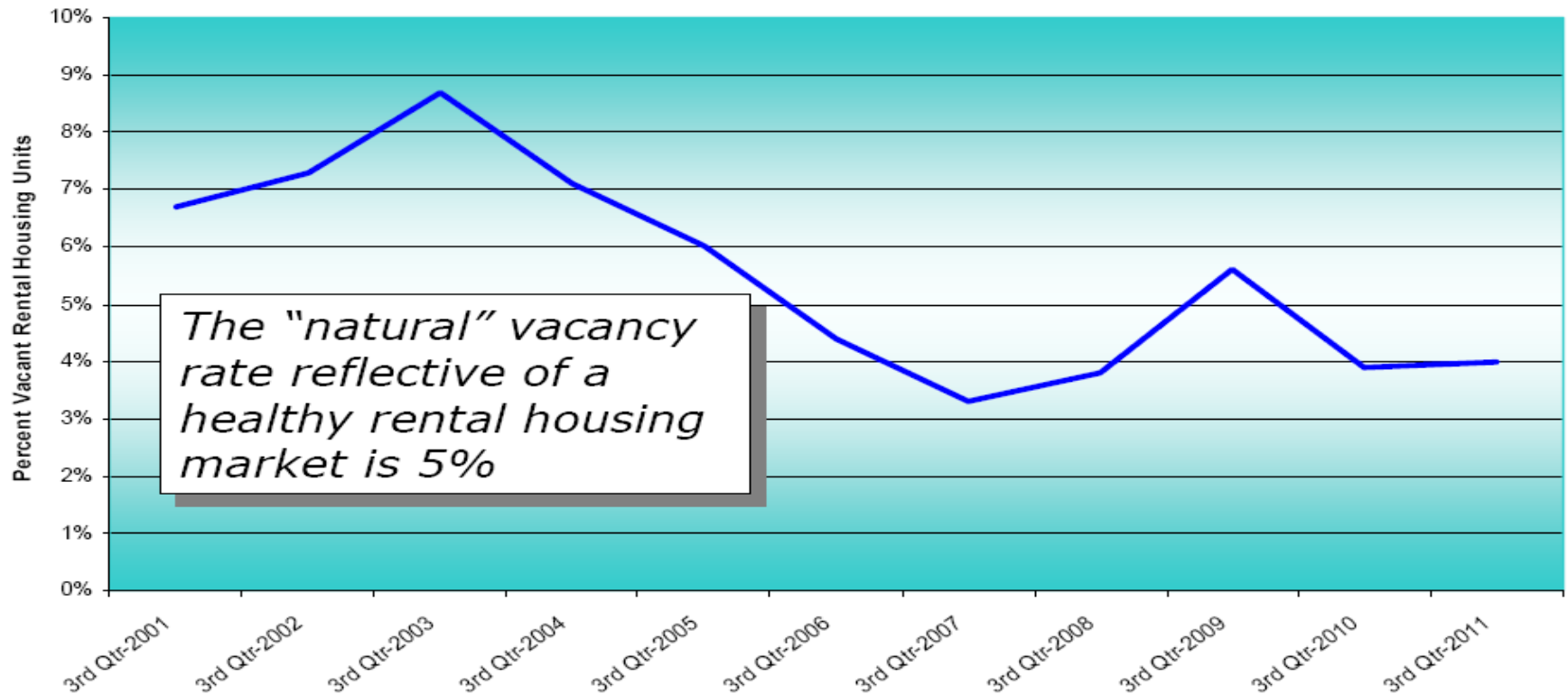
Average Rental Rates for Units in San José



SOURCE: RealFacts Data from 3rd Quarter 2001 – 3rd Quarter 2011 *Data only includes rental projects with 50 units or more

Vacancy Rates Below the "Healthy" Rental Market Rate

San José Rental Housing Vacancy Rates



SOURCE: RealFacts Data from 3rd Quarter 2001 – 3rd Quarter 2011 *Data only includes rental projects with 50 units or more