



London N. Breed
Mayor

Christina A. Varner
Executive Director

DAVID GRUBER
PRESIDENT

DAVE CROW
JULIET HALEY
RICHARD HUNG
ASHLEY KLEIN
CATHY MOSBRUCKER
KENT QIAN
KION SAWNEY
ARTHUR TOM
DAVID WASSERMAN

**MINUTES OF THE REGULAR MEETING OF
THE SAN FRANCISCO RESIDENTIAL RENT
STABILIZATION & ARBITRATION BOARD**

Tuesday, June 13, 2023
at 6:00 p.m.
25 Van Ness Avenue, Room 610
San Francisco, CA 94102

The meeting will also be streamed online via Webex at
<https://bit.ly/3WVjlyR>

Public comment may be given by phone.

Public Comment Dial In Number: (415) 655-0001
Webinar Number: 2599 057 5316 / Webinar Password: RENT (7368 from phones)

The Commission strongly encourages interested parties to submit their comments in writing, by 12:00 p.m. on June 12, 2023 to rentboard@sfgov.org. The public comment call in instructions are available on the Rent Board's website at <https://sf.gov/public-body/rent-board-commission>.

Please visit the Rent Board's website for ongoing updates.

I. Call to Order

President Gruber called the meeting to order at 6:06 p.m.

II. Reading of Ramaytush Ohlone Land Acknowledgment

Commissioner Klein read the Ramaytush Ohlone Land Acknowledgment.

III. Roll Call

Commissioners Present: Crow; Gruber; Haley; Hung; Klein; Mosbrucker;
Qian; Sawney; Tom; Wasserman.

Staff Present: Flores; Koomas; Varner.

IV. Remarks from the Public

A. Joshua Markowitz, the attorney for the landlords at 2126 Taraval Street (AL230035), told the Board that his clients relied on the certificate of estoppel provided by the tenant at the time they purchased the property, since the tenant was the only person that could have known the lawful rent. He stated that the tenant's rent is "absurdly low" and "you can't operate a city like that." He also stated that things are "not going well in San Francisco" and that "chasing out owners" is only going to harm the housing supply.

V. Approval of the Minutes

MSC: To approve the minutes of May 16, 2023.

(Wasserman/Sawney: 7-0; Haley, Mosbrucker, Qian abstaining)

VI. Consideration of Appeals

A. 1025 Geneva Avenue #10

AT230029

The landlord's petition seeking certification of capital improvement costs for mandatory seismic work was partially granted for passthrough to three units. One tenant appeals on the basis of non-receipt of the Notice of Hearing and submits the requisite Declaration of Non-Receipt of Notice of Hearing.

MSC: To accept the appeal and remand the case for a new hearing. Should the tenant again fail to appear, absent extraordinary circumstances, no further hearings will be scheduled.

(Mosbrucker/Wasserman: 5-0)

B. 63 Diamond Street #3

AT230030, AL230034

The subtenant's petition alleging that he paid a disproportional share of the rent was granted and the master tenant was found liable for rent overpayments in the amount of \$3,500.00. On appeal, the subtenant argues that the ALJ overstated the value of amenities provided by the master tenant. The master tenant also appeals, claiming in part that the subtenant used various common areas for storage and that a former master tenant should also be held responsible for the overpayments.

MSC: To deny the master tenant's appeal (AL230034) and to accept the subtenant's appeal (AT230030) and remand the case to the ALJ as to ownership of the washer and dryer only, with a hearing to be held only if necessary.

(Mosbrucker/Wasserman: 5-0)

C. 2867 - 23rd Street

AL230031

The tenants' petition alleging decreased housing services and failure to perform repairs and maintenance required by law was granted in part and the landlord was found liable for rent reductions and overpayments in the total amount of \$10,436.65. On appeal, the landlord

requests that the monthly rent reduction amounts be reconsidered and submits new evidence related to the tenants' stove and pest control work.

MSC: To deny the appeal except to remand the case to the Administrative Law Judge to issue a Technical Correction to adjust the amount of rent overpayments from \$470.40 to \$284.59 for the period from October 1, 2022, through December 13, 2022.
(Mosbrucker/Wasserman: 5-0)

D. 4220 Cesar Chavez Street #320

AT230032

The tenants' petition alleging decreased housing services was granted and the landlord was found liable for rent reductions in the amount of \$2,350.00, with an ongoing rent reduction of \$100.00 per month until the scaffolding and mesh tarp obstructing the tenants' balcony is removed. On appeal, the tenants claim that their balcony constitutes a safety hazard and that the landlord provided false information to the ALJ.

MSC: To deny the appeal.
(Wasserman/Gruber: 5-0)

E. 4314 - 17th Street #6

AT230033

The tenant's application for deferral of a capital improvement passthrough due to financial hardship was denied. The ALJ found that the tenant did not qualify for relief from payment of the passthrough because the tenant's gross income exceeded 80% of the Area Median Income (AMI) for a 1-person household. On appeal, the tenant states that his income is less than the amount stated in the decision and provides additional information about his bank account records.

MSC: To accept the appeal and remand the case for consideration of the tenant's actual income, with a supplemental hearing to be held only if necessary.
(Mosbrucker/Wasserman: 5-0)

F. 2126 Taraval Street

AL230035

The tenant's petition claiming an unlawful rent increase was granted and the landlords were found liable for rent overpayments in the amount of \$16,294.67. On appeal, the landlords assert that they relied on the statements made in the tenant's 2017 estoppel certificate at the time they purchased the property, and that the tenant is barred from now claiming that the rent stated in the estoppel certificate was an unlawful amount.

MSC: To deny the appeal.
(Mosbrucker/Qian: 5-0)

IV. Remarks from the Public (cont.)

A. Joshua Markowitz, the attorney for the landlords at 2126 Taraval Street (AL230035) told the Board that the excessive increases occurred in the 1990s, and there was no way to untangle the

tenant's rent history; that the decision demonstrates a "terrible system" that will slow down the pace of housing sales; and that the Commissioners had done a disservice to the City by denying the landlords' appeal.

VII. Communications

In addition to correspondence concerning cases on the calendar, the Commissioners received the following communications:

- A. Article from the SF Chronicle and Mission Local.
- B. Monthly workload statistics for April 2023.
- C. Updated Ordinance.

VIII. Director's Report

Executive Director Varner told the Board that departmental operations continue as normal, and that the department continues with hiring and recruitment, and the move project, and expects to have new staff at upcoming commission meetings. In regard to outreach, Director Varner told the Board, the department's Public Information Unit and Inventory & Fee Unit staff Jennifer Rakowski, Abe Jue, Van Lam, and Evelyn Benitez participated in the SF Apartment Association's Landlord Expo on May 16, where they gave a presentation around Housing Inventory responsibilities and also tabled and engaged with owners. She said that on June 8, Public Information Unit Supervisor Anita Pandhoh participated in an online outreach event with the Anti-Displacement Coalition to discuss Rent Board tenant resources. Director Varner said that the department has reached out to all the members of the Board of Supervisors to partner around Housing Inventory outreach, and that Rent Board staff may contribute to a supervisors' constituent newsletter, and or engage with aides or the Supervisors themselves to see how the department can better get the word out about the Inventory. She said that the department has reached out to over 100 community partners including in the city's Cultural districts, nonprofits, and other organizations about potential Rent Board outreach opportunities, including core Rent Board information about rights and responsibilities, and the Housing Inventory. Finally, she said, Inventory & Fee Unit staff member Evelyn Benitez will present at the North of Panhandle Neighborhood Association membership meeting on June 15. Director Varner told the Commissioners that the 2023 Rent Board Fee cycle closed on June 1 and that approximately 16,000 delinquency notices will be mailed later in June where owners will be given the opportunity to pay within 30 days. She said that if they still have not paid, the unpaid obligation will be referred to the City's Bureau of Delinquent Revenue later this summer. Director Varner said that the department's budget has gone through the Mayor's phase, and through that review and the Controller's newly adjusted fee setting process, the 2023-2024 Rent Board fee has been certified at \$59.00 per dwelling unit and \$29.50 per single-room occupancy (SRO) guest unit. She said that she would present the department's budget at the Board of Supervisors' Budget and Appropriations Committee on June 16. Director Varner told the Board that Board of Supervisors' Ordinance Number 94-23 was signed by the Mayor on May 26, 2023, and that it expands the Displaced Tenant Preference in City Affordable Housing Programs to cover tenants where the tenant resided in an unlawful unit, which is being removed following either (a) written approval by the Planning Commission to demolish, merge,

or convert the unit; or (b) denial by the Planning Commission of an application to legalize the unlawful unit. As well, she said, Ordinance Number 91-23, which amends the Rent Ordinance and Planning Code to allow projects to qualify for a density bonus under the Housing Opportunities Mean Equity (HOME-SF) Program by agreeing to subject new dwelling units to the rent increase limitations of the Rent Ordinance, was also signed by the Mayor on May 26, 2023.

IX. Old Business

A. Proposed Amendments to Rules and Regulations Section 10.10 Regarding Tenant Right To Organize Legislation

Commissioner Klein stated that she has been in discussion with the City Attorney regarding amendments to her initial proposal, and will have an updated draft of the proposed amendments at the next Board Meeting.

X. New Business

There was no New Business.

XII. Calendar Items

July 11, 2023 – regular meeting at 25 Van Ness Avenue, Room 610, with remote attendance available

A. Consideration of Appeals

1. 7 appeal considerations

B. Old Business

1. Proposed Amendments to Rules and Regulations Section 10.10 Regarding Tenant Right To Organize Legislation

Reader of the Ramaytush Ohlone Land Acknowledgment – Commissioner Mosbrucker.

XIII. Adjournment

President Gruber adjourned the meeting at 7:10 p.m.