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KION SAWNEY  
ARTHUR TOM  
DAVID WASSERMAN

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

Tuesday, August 13, 2024  
at 6:00 p.m.  
25 Van Ness Avenue, Room 610  
San Francisco, CA 94102

I. Call to Order

President Gruber called the meeting to order at 6:05 p.m.

II. Reading of Ramaytush Ohlone Land Acknowledgment

Commissioner Wasserman read the Ramaytush Ohlone Land Acknowledgement.

III. Roll Call

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

Commissioners Not Present: Hung.

Commissioners Leaving Early: Wasserman (7:21 p.m.).

Staff Present: Esteron; Koomas; Texidor; Van Spronsen; Varner.

IV. Remarks from the Public

A. Mostafa Izadi, the landlord at 3900 Cabrillo Street, Unit 1 (AT240032), said that he and his wife, co-owner Sohaila Izadi, attended the commission meeting to observe the Board in action and educate themselves in how to correctly manage the building. He said that state and federal laws, as well as City and County of San Francisco regulations, are difficult to navigate for small property owners and in some areas require hiring a real estate attorney.

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V. Approval of the Minutes

MSC: To approve the minutes of July 16, 2024 with two amendments, substituting Vice President Mosbrucker for President Gruber in agenda items I. Call to Order and XII. Adjournment.  
(Wasserman/Qian: 7-0; Commissioners Klein and Tom abstaining)

VI. Consideration of Appeals

A. 1040 – 14th Street

AT240033

The subtenant appeals the dismissal of the subtenant's claims for disproportionate rent payment under Rules and Regulations Section 6.15C(3) and decrease in housing services. The Administrative Law Judge (ALJ) dismissed the subtenant's claims for their failure to appear at a scheduled hearing. In the appeal, the subtenant alleges that there was a technical error with the link to the online meeting as he attempted to join prior to the start of the meeting but remained in the "waiting room", and also declared under penalty of perjury that he did not receive a notice of the hearing via mail.

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. 3900 Cabrillo Street, Unit 1

AT240032

One tenant appeals the decision granting the landlord's petition for capital improvement passthroughs. In the Decision, the ALJ granted the landlord's petition for capital improvement passthroughs for a new water heater in unit 1 and replacement of the roof. In the appeal, the tenant in unit 1 claims that she asked the landlord to only increase the water temperature and was not given prior notice that the water heater would be replaced, that water heaters should be provided by the landlord, and that she has been discriminated against because the landlord charged her for the cost of replacing the water heater but did not charge another tenant whose water heater was replaced in May 2023.

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

IV. Remarks from the Public (cont.)

*There were no remarks from the public.*

VII. Public Hearing

**6:30 p.m. Proposed Amendments to Rules and Regulations Section 10.15 – Tenant Financial Hardship Applications regarding General Obligation Bond Passthroughs**

Effective June 10, 2024, Rent Ordinance Section 37.3 was amended to, among other things, allow tenants to seek total relief from payment of a General Obligation Bond Passthrough that becomes due on or after June 10, 2024, by filing a Tenant Hardship Application. Previously, tenants could only seek deferral of those portions of a General Obligation Bond Passthrough that were attributable to general obligation bonds approved by the voters on or after November 5, 2019. At its July 17, 2024 meeting, the Board voted to put out for public hearing proposed amendments to Rules and Regulations Part X, Section 10.15, which were drafted by staff to conform the Rules and Regulations to the Ordinance amendments.

The Commissioners opened a public comment period for members of the public to speak both on general items and specifically about proposed Rules and Regulations Part X, Section 10.15. Seeing that no member of the public wanted to speak during the public comment period, the public comment period was closed. The Commissioners then had no discussion regarding the proposed amendments. Seeing that there was no discussion, the Commissioners made and voted upon the following motion:

MSC: To adopt proposed Rules and Regulations Part X, Section 10.15, as drafted by staff.  
(Wasserman/Sawney: 9-0)

#### VIII. Communications

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

- A. Notice of Public Hearing Scheduled for August 13, 2024.
- B. Departmental workload statistics for June 2024.
- C. PDF of Google Document containing Commissioner Sawney's Proposed Changes to Rules and Regulations.

#### IX. Director's Report

Director Christina Varner introduced a new employee, Senior Clerk Michelle Esteron, to the Commissioners. She said that Michelle was hired to replace a long-time Rent Board employee that retired and comes to the Rent Board from the Human Services Agency, and has already proven to be an asset to the unit, performing essential departmental work. With regard to the Rent Board fee, Director Varner said that the 2024 regular Rent Board fee collection was at 90%, and 11,200 unpaid obligations were referred to the City's Bureau of Delinquent Revenue. With regard to the Housing Inventory, she said that 18,606 parcels have reported for a total of 106,074 unit reports with 91,196 licenses generated, about 300 licenses shy this year compared with 2023. She said that the filing rate for properties of 10 units or more is around 60%, and properties of 5-9 units is at about 45%. Commissioner Klein and Senior ALJ Koomas clarified that producing data on the number of units that are subject to rent control is complicated, and that the percentage of rent-controlled units that are in compliance with reporting to the Housing Inventory could be greater than the statistics suggest as some landlords are required to pay the Rent Board fee but may not report into the Housing Inventory

if they have non-rent controlled units, since they do not need a rent increase license to increase rents. Director Varner said that the department has done some preliminary data analysis, and will need more time to continue to analyze Inventory data. With regard to outreach, Director Varner said that staff members Diana Flores and Jennifer Rakowski presented to Self-Help for the Elderly staff on July 25, and on August 3, Evelyn Benitez, Rachel Hung, and Howard Yeung performed outreach in the Office of the Assessor-Recorder's Family Wealth Forum on Building Intergenerational Wealth at City College. She said that this month, Senior ALJ Koomas will present to SFAA members on the Rent Board's mediation services for the monthly membership meeting, and that the Rent Board expects to have a presentation with Causa Justa::Just Cause in the coming weeks. With regard to legislation, Director Varner said that on July 16, 2024, Supervisor Peskin introduced File No. 240766, which was passed by the Board of Supervisors on first reading on July 30, 2024. The Ordinance amends the Administrative Code to prohibit the sale or use of algorithmic devices or software programs that analyze and share non-public data for the purpose of setting rents or occupancy levels for residential rental units in San Francisco was passed by the Board of Supervisors at first reading on July 30, 2024. She also said that on June 25, 2024, Supervisor Peskin introduced Board of Supervisors File No. 240726, an Ordinance amending the Administrative Code to authorize the issuance of certain housing bonds for the acquisition and rehabilitation of affordable housing, which makes no changes to the Rent Ordinance. Director Varner said that Board of Supervisors File Number 240803 introduced by Supervisor Melgar is currently at Land Use, and that among other changes to the Planning Code, this will require that whenever a property owner enters into a regulatory agreement with the City that subjects newly constructed dwelling units to the Rent Ordinance, the Planning Department shall note the existence of the recorded regulatory agreement in the Property Information Map or other similar, publicly accessible website. Director Varner said that Supervisor Melgar's Board of Supervisors File No. 231224, which would amend the Housing Code to authorize occupants of residential dwelling units to sue a property owner to enforce the prohibition on substandard housing conditions, is still at the Land Use Committee after Supervisor Melgar on July 16, 2024 requested that this matter remain active for an additional six months until January 16, 2025. She said that lastly, the 10-day Notice Litigation is set for oral argument before the 1st district Court of Appeals on August 21, 2024, which can be discussed more at the September board meeting.

X. Old Business

*There was no Old Business.*

X. New Business

A. Proposed Amendments to Rules and Regulations

Commissioner Sawney told the Board that he was proposing amendments to the Rules and Regulations in his role as a Commissioner, whose responsibilities include serving as an advocate for landlords, tenants, and homeowners as it relates to the Rent Board, finding inefficiencies in operations, supporting staff in executing the Ordinance, and ensuring that the Rent Board is visible and accessible to the public. He said that he was seeking feedback from the Commissioners as to whether there was support for these items.

a. Reporting Obligations regarding Reporting Key Performance Indicators (KPIs).

With regard to reporting Key Performance Indicators, Commissioner Sawney said that his intent in proposing Regulations regarding this item was to ensure that the departmental report on Workload Statistics were updated with the new scope of work that the department now handles after a couple of years of expansion. He said that that he also intended to define and establish set goals for the department. Commissioner Klein said that these items were for the Executive Director to determine, and the job of the Commissioners is very clearly laid out as a review and regulatory body, and that tracking metrics was not within that scope as it is operational and beyond the legal limitations of what a Board can do. Commissioner Sawney disagreed and said that it is the role of the Board to guide the Executive Director without dictating what staff does, and it is reasonable for the Board to say what strategic direction the department should go in. He said that he would review the Rules and Regulations to confirm the scope of responsibilities for the Board. Director Varner said that the department had undergone a lot of operational change with training new staff and developing new policies and procedures for the last three years, and that there is one new staff member, a data analyst, that will assist with adjusting how the public accesses monthly statistics. She said that the department is also reviewing whether the statistics themselves need to be adjusted based on whether they are meaningful to the department's constituents and stakeholders and in relation to performance measures reported to the Controller's Office. Director Varner said that once the department moves locations, it will then engage in creating new policies and procedures and will subsequently start strategic planning. Commissioner Mosbrucker suggested that a subcommittee of the Board could participate in strategic planning and report back to the Board as oversight. At the end of the discussion, Commissioner Sawney stated that his final proposal is to create an outline for the process of creating a new strategic plan, and then at a future date they would focus on executing that plan. Commissioner Sawney said he would prepare a written proposal for the next board meeting, which will be his last as he is relocating away from the San Francisco Bay Area.

b. Off-Site Board Meetings

Commissioner Sawney proposed to create a Regulation that starting in 2025, two of the 12 board meeting locations in a calendar year occur off-site at a neighborhood location so that board meetings are more accessible to the public and the community understands the workings of the department and the Commission. He said he would leave it to Rent Board staff discretion to determine the most appropriate way to accomplish this goal. After the Commissioners had a discussion regarding the current accessibility of meetings, whether members of the public would be confused about changes in location, the costs and complexities with organizing and publishing meeting locations, and community engagement already occurring with monthly outreaches by staff, Commissioner Sawney said that he would not move

forward with proposed amendments to the Rules and Regulations concerning this item.

c. Housing Inventory Adoption Rate.

Commissioner Sawney said that he was operating under the assumption that there was a large gap between the number of units paying the Rent Board fee and the number of units reporting into the Housing Inventory, but this was somewhat clarified by Commissioner Klein and Senior Administrative Law Judge (SALJ) Koomas in the discussion that occurred during the Director's Report. He said that his intent in proposing amendments to the Rules and Regulations regarding the Housing Inventory Adoption Rate is to highlight that there are people experiencing rent increases when they should not be. He stated that he knew that there was a remedy at the Rent Board for individuals to obtain relief from unlawful rent increases, but that the remedy should be in the aggregate. He stated that his original suggestion was to tie the fee payment to the Inventory, but he recognized that this may not be a viable option. Commissioners Mosbrucker and Klein stated that the Inventory is governed by the Rent Ordinance, and therefore any change would be made by the Board of Supervisors. Commissioner Sawney said that he will work with departmental staff to develop a process for publicizing the Inventory and increasing its access to tenants without amending the Rent Ordinance.

d. Tenant Petition Filing for Tenant Organizations

Commissioner Sawney said that he was proposing a change to the Rent Ordinance to streamline the ability for a tenant organization to file a tenant petition on behalf of a group of tenants, for example when there was a reduction in housing services that affected all of the tenants at the property. Commissioner Wasserman told the Board to review case *Ocean Park Assoc. v. Santa Monica Rent Control Bd. (2004)* regarding whether an organization has the ability to file a petition on behalf of multiple tenants, which was also supported by Commissioner Klein. SALJ Koomas said that the Rent Board has a multi-unit tenant petition available that is signed by each tenant, which already streamlines the process for multiple tenants to file a single petition. Commissioner Sawney agreed to review case law before moving forward with his proposal.

e. Adoption of a Lease Addendum

Commissioner Sawney proposed that the Rent Board create an addendum to a lease at the time of signing that clearly states items of importance for the tenant and the landlord. Commissioners Klein and Commissioner Crow commented that it would be difficult to mandate that a landlord include a particular addendum since it would interfere with the commercial relationship and freedom to contract. Commissioner Sawney said that this proposal would require a change to the Administrative Code and therefore would need

approval from the Board of Supervisors, and therefore he was not requesting any action by the Board.

XI. Calendar Items

September 10, 2024 – regular in-person meeting at 25 Van Ness Ave, Room 610.

Reader of the Ramaytush Ohlone Land Acknowledgement – Commissioner Crow.

A. Consideration of Appeals

- a. 6 appeal considerations

B. Old Business

a. Proposed Amendments to Rules and Regulations

- i. Reporting Obligations regarding Reporting Key Performance Indicators (KPIs)
- ii. Housing Inventory Adoption Rate

XII. Adjournment

President Gruber adjourned the meeting at 7:29 p.m.