City and County of San Francisco

Residential Rent Stabilization and Arbitration Board



DAVID GRUBER PRESIDENT

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

London N. Breed Mayor

Christina A. Varner Executive Director

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

Tuesday, November 12, 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 6:01 p.m.

II. Reading of Ramaytush Ohlone Land Acknowledgment

Commissioner Haley read the Ramaytush Ohlone Land Acknowledgement.

III. Roll Call

Commissioners Present:	Crow; Gruber; Haley; Mosbrucker; Wasserman.
Commissioners Appearing Late:	Tom (6:06 p.m.) and Hung (6:16 p.m.).
Commissioners Not Present:	Klein; Qian.
Staff Present:	Islar; Katayama; Koomas; Smith; Sowell; Texidor; Van Spronsen; Varner.

IV. <u>Remarks from the Public</u>

A. Maria Torres, the tenant at 78 Apollo Street, Lower Unit (AL240050), said that the landlord has been harassing her and her son to the point where police have had to intervene. She said that her son has commented at school on the things that the landlord has done to them, and she wants this difficult situation to end. She said that it is very difficult to live in a unit where she does not feel safe, and it has taken an emotional toll. She thanked the Board for listening and allowing her to speak.

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V. Approval of the Minutes

MSC: To approve the minutes of October 8, 2024. (Wasserman/Mosbrucker: 6-0)

VI. Consideration of Appeals

A. 547 Divisadero Street

AT240051

The tenant appeals the decision granting the landlord's petition seeking a rent increase under Rules and Regulations Section 1.21. In the decision, the Administrative Law Judge (ALJ) determined that the landlord may increase the rent without limitation because the tenant did not reside in the subject unit as their principal place of residence and there was no other tenant in occupancy at the time the petition was filed. In the appeal, the tenant declared under penalty of perjury that he had not received the notice of hearing since he was out of town caring for his terminally ill father, and requests that a new hearing be scheduled so that he can address factual inaccuracies in the decision and prove that any absences from the unit were temporary and based on a "family emergency," travel for work, or health issues caused by the landlord's lack of repair of the unit.

- 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/Crow: 5-0)
- B. 78 Apollo Street, Lower Unit

The landlord appeals the decision granting the tenant's claim of unlawful rent increase. In the decision, the ALJ determined that the tenant and her ex-husband commenced occupancy of the unit in 2012 and that the landlord was liable for rent overpayments for null and void rent increases in the sum of \$8,369.52. In the appeal, the landlord argues that the rent overpayments should be recalculated because the tenant signed a new lease when her ex-husband vacated the unit in May 2018 and agreed to pay a higher rent.

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

C. 2081 – 15th Street

The subtenant appeals the decision denying the subtenant's claim of disproportionate rent payment under Rules and Regulations Section 6.15C(3). In the decision, the ALJ determined that equal division of the total rent between the two occupants was a reasonable method of allocation under the circumstances, and that the subtenant failed to meet his burden of proving that he paid more than his proportional share of the rent. In the appeal, the subtenant argues in part that division of the total rent between two occupants constitutes a gross injustice as he occupies less than 50% of the exclusive space in the unit, and that the ALJ should have calculated his portion of the rent based on square footage instead.

AT240052

AL240050

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

D. 1261 – 41st Avenue

AL240053

The landlords appeal the remand decision granting their claim of financial hardship. In the decision, the ALJ determined that the landlords established sufficient financial hardship based on their monthly income and expenses to warrant the creation of a five-year repayment plan for the \$33,511.25 rent overpayments due to the tenant, with a \$560.00 per month partial rent offset for fifty-nine months and \$471.25 in the sixtieth month. In their appeal, the landlords request that the monthly rent offset be lowered to \$280.00 as the \$560.00 per month rent offset still constitutes an extreme financial hardship based on their mortgage and loan payments.

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

- IV. Remarks from the Public (cont.)
 - A. Maria Torres, the tenant at 78 Apollo Street, Lower Unit (AL240050), said that she was happy with the Commissioners' decision on the landlord's appeal.

VII. Communications

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

- A. News article from <u>SF Chronicle</u>.
- B. Departmental workload statistics for September 2024.
- C. Amended Rent Ordinance Section 37.10C with updated Ordinance Table of Contents and List of Ordinance Amendments.

VIII. Director's Report

Executive Director Christina Varner introduced three new employees, Clayton Smith, Leah Islar, and Ashly Sowell. She said that Smith and Islar, new Rent Board Specialists in the Public Information Unit (PIU), were hired to replace vacancies left by two employees who promoted into analyst positions. Director Varner said that Smith has a JD from George Washington University and a BA from UC Berkeley and most recently worked in commercial real estate law, and Islar, a San Francisco native, graduated from San Francisco State University with a degree in International Relations and most recently worked as a case manager for Homebridge. Director Varner said that Sowell is the new supervisor of the clerical unit and comes to the Rent Board from the City Attorney's office where she was a principal clerk, and previous to that worked at the Department of Building Inspection, Juvenile Probation, SFUSD's office of Early Education, and the Human Services Agency. With regard to the fee, Director Varner said that the 2025 fee and Housing Inventory cycle has begun, and some property

owners may have already received Informational Notices. She said that the 2025 Housing Inventory reporting cycle is off to a good start with 1,999 parcels having reported for a total of 3,867 unit reports with 2,429 licenses generated. With regard to outreach, Director Varner said that PIU staff will provide another workshop to Spanish-speaking staff at Causa Justa::Just Cause on November 18, and on December 3 in part 1 of a two-part series, staff will present in collaboration with the SF Law Library "Navigating the San Francisco Rent Ordinance." Director Varner said that with regard to legislation, on July 16, 2024, Supervisor Peskin introduced Board of Supervisors (BOS) File No. 240766, an Ordinance that 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 signed by Mayor Breed on September 13 and was effective on October 14, 2024. She said that BOS File Number 240803 introduced by Supervisor Melgar is still at Land Use and 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. She also noted that Supervisor Melgar's BOS File No. 231224, originally introduced on November 28, 2023, 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 Land Use after Supervisor Melgar on July 16 requested that this matter remain active for an additional six months until January 16, 2025. She said that BOS File No. 240880 was introduced by Peskin on September 10, 2024, which is an Ordinance amending the Administrative Code to provide that newly constructed dwelling units that first received a certificate of occupancy between June 13, 1979 and June 13, 1994 shall be generally subject to rent control, to the extent authorized by a future modification or repeal of the Costa-Hawkins Rental Housing Act, passed the full Board on first reading with specific amendments to amend the Administrative Code, was signed by Mayor Breed on October 24, and will be effective on November 24, 2024. She said that BOS File No. 241069, sponsored by Supervisor Engardio amends the Subdivision and Planning Codes to create a process by which property owners may convert certain new or existing ADUs and associated primary dwelling units into condominiums, is currently at the Land Use Committee. Director Varner concluded her report by reminding the Commissioners that the Rent Board Holiday Party is on December 5.

IX. Old Business

There was no old business.

X. <u>New Business</u>

There was no new business.

XI. Calendar Items

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

Reader of the Ramaytush Ohlone Land Acknowledgement – Commissioner Hung.

A. Consideration of Appeals

a. 5 appeal considerations

XII. Adjournment

President Gruber adjourned the meeting at 6:37 p.m.