

**CITY OF UNION CITY
MINUTES
FOR THE MEETING OF THE
RENT AND TENANT TASKFORCE
MONDAY, JANUARY 9, 2017
7:00 P.M.
RUGGIERI SENIOR CENTER, DINING ROOM
33997 ALVARADO-NILES ROAD
UNION CITY, CALIFORNIA**

I. ROLL CALL:

Present: Duru Ahanotu, Abigail Andrade, Chris Cara, Timothy Conde, Remy Fortier, Annie He, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Anna Nunez, Marjorie Rocha, Tony Samara, Jamie Sessions, Chung Wu

Absent: Ian Palavi

Staff: Tony Acosta, City Manager; Joan Malloy, Economic and Community Development Director; Kris Kokotaylo, Deputy City Attorney; Alin Lancaster, Housing and Community Development Coordinator; Lorena Gonzalez, Administrative Assistant

II. APPROVAL OF MINUTES:

The regular Taskforce minutes from the December 19, 2016 meeting were approved as submitted.

III. UNFINISHED BUSINESS:

None

IV. PRESENTATIONS:

None

VI. TASKFORCE DISCUSSION: (Note, item taken out of order)

A. Consideration of extending the meeting time past 9:00 p.m.

Tony Acosta, City Manager - requested to move Agenda Item VI.A, Consideration of extending the meeting time past 9:00 p.m., before Agenda Item V., Public Comments, due to the number of public speakers and to give the Taskforce members more time for discussion. Mr. Acosta asked whether anyone would like to make a motion for consideration of extending the meeting past 9 p.m.

There was no motion made by the Taskforce; therefore, the meeting would adjourn at 9:00 p.m.

V. PUBLIC COMMENTS:

1. Maria Ramirez (Union City) - stated that the people in Decoto work hard but don't earn enough to cover their rent and buying a home is out of the question. Prior to the meeting they performed a ritual to honor the Ohlone Indians who were here first. They call on the Ohlones because like other indigenous groups, they govern with the thought, that their decisions today will have an impact on seven generations ahead. They are making decisions that impact families and communities. . Ms. Ramirez has listened to the landlord's concerns, but noted this issue is bigger than them. If landlords are going to be angry at anyone, they should be angry at the wealthy inequality that there are 63 billionaires that make three-quarters of the world's wealth. Ms. Ramirez stated that she runs into students every day that are homeless and they are trying to stay in school to have a better future. They don't have shelter. Their cars are not shelter. She asks the Taskforce to think about their decisions and how it will impact future generations. Their decision can hurt families.
2. David Stark, (Pleasanton) - noted that at the end of the last meeting both sides had started negotiating. He encouraged the Taskforce to continue negotiating at this meeting. There are a few different proposals that have come from the members on this Taskforce. As the previous speaker mentioned, thinking of the long-term ramifications from your decisions is very important. More specifically, what are the long-term ramifications for Union City and are these proposals unique to Union City specifically? He encouraged the Taskforce members to go into these discussions tonight with an open mind, to focus on compromise, and to work together.
3. Ji Song (Pleasanton) - stated that last month in Oakland, 36 people died because people were living inside a commercial building. Mr. Song noted that there are two University Avenues in Silicon Valley, one is in Berkeley and the other in Stanford; Berkeley applied rent control in the 70's and the results are self-explanatory. Mr. Song also noted that Hayward had the first shopping mall in California. Hayward is a prime location, but why is Hayward run down? Because since 1983, Hayward has had rent control. When we make decisions, we have to be very careful. The decision we make are very important because it determines the fate of the city and its' families. We have to look long-term and find a balance.
4. Tom Silva, President of the Rental Housing Association of Southern Alameda County and Director of the California Apartment Association, (Hayward) - stated that he was here on behalf of the organized rental housing industry of the California and he is in support of tonight's third proposal which includes: mandatory notification, mandatory participation, non-binding mediation, and peer to peer counseling as appropriate. Mr. Silva indicated that this process is very similar to the one in Fremont. It is also similar to the process in San Leandro with the exception that they recommend a third party mediator, rather than a board. The rental housing industry is very supportive of a fair and equitable process and despite some of the feedback he has received from some of the Taskforce members, he gives their assurances as a community partner and as an industry that has a major investment in the community, that they will make sure that this is a fair and equitable process for all. Mr. Silva would like to point out that in Union City the Alameda County Housing Authority has increased the number of housing units that are participating in the voucher program. Currently, the Alameda County Housing Authority provides just under a million dollars a month in subsidies in Union City.
5. Anthony Landers (Union City) - stated that he wanted to bring to everyone's attention the signs of displacement that can be seen today. The fact that there is a CAREavan program alone should be alarming. Mr. Landers grew up in this community and he has come to terms that he will not be able

to own or rent in this community. He is a fulltime student, a part-time worker, and a renter, and is struggling. There are many other cases of individuals who do not have a home or shelter and he asks the Taskforce members to keep that in mind. He asks that there be a moratorium on rent increases and no fault evictions.

6. Adrianna Carranza (Union City) - stated that a larger number of hotel and restaurant workers from Unite Here Oakland Local, live in this community. What rights do they have when they are being pushed out of their communities? Ms. Carranza stated that her family has been pushed out; her sister had to move out to Tracy; she has to get up very early to commute to work. Ms. Carranza stated that she is a single mother and is struggling to live in this city. She stated that it is heartbreaking to know that she might not be able to provide for her daughter what her parents provided for her. Her daughter will not grow up in the same community or be in the same house her family has lived in for years. They will no longer be able to afford it. She asks the Taskforce members to think about the students, the families that have grown up in Union City, and their own family members. She asked what if their mothers were faced with the same situation she is in. She stated that she has a full-time job, she is a union member, and is barely making it. She asked the Taskforce to look at the homeless that live in Union City. She stated that she has taken people into her home that have had to live out of their cars; and asked what kind of message are we sending to our community if we are allowing this to happen. She asks that the Taskforce come to a decision that would allow Union City to move forward.
7. Dan Pan (Cupertino) - stated that she that fully understood the need for affordable housing. She stated that they are here to help both landlords and tenants, but unfortunately rent control is not the answer. Even with good intentions, rent control is not the correct approach. She continued that in fact it hurts renters in the long-term. Rent control has not worked in many other cities such as San Francisco, Richmond, Massachusetts, Oakland and Santa Monica. Those cities with strict rent control have higher rents compared to other cities. Rent control does not address the root cause of rent increases. The conflict between the shortage of housing inventory and the job market will not help increase housing, especially if new housing is subject to rent control. Ms. Pan noted Mr. Silva's previous comments that non-binding mediation works in other cities like Fremont and San Leandro. Non-binding mediation will prevent dramatic rent increases and evictions. The tenants will have security. Ms. Pan asked the Taskforce to support non-binding mediation and help solve the problem.
8. Adeles, (Fremont) - stated that landlords are also faced with hardships; Alameda County Water District will be increasing their rates on March 1, 2017, followed by an additional increase the following year. This will result in a thirty percent increase in her water bill. Ms. Adeles recently had to replace one of her tenant's water heaters. The cost to replace it was \$950 in labor and materials. For a small landlord like herself, this expense absorbed the unit's annual profit. An applicant shared with her information about the Section 8 Housing Voucher Program. The program pays in Fremont, Union City and Newark \$2,447 for a two bedroom unit and \$3,258 for a three bedroom unit. The rent that she charges is a lot lower. She only charges \$1,650 for a two bedroom and \$1,950 for a three bedroom unit.
9. Daniel Lee (Daly City) - stated that his parents were farm workers and his mother encountered a tiger twice, working in her village. He stated that to label him as a greedy landlord is very wrong. He stated that he works very hard and financial responsibility is key. These young adults need to try harder. To put a burden on a small group of immigrants like him is very offensive. He stated that he is not here to subsidize their way of living. It appears wrong and unfair to him. He stated that his

parents worked hard in a farm and never asked for help; these young adults have not even started their lives. They need to go to school, get an education, and everyone will be just fine.

10. Maricela Reynoso (Union City) - stated that she is a school counselor in this community; she grew up in Decoto and went to Decoto Elementary School, Barnard-White Middle School and James Logan High School. She stated that she was taught to give back to her community; her community helped her when she needed it the most. When she received an education, she always remembered to come back to Union City and when she graduated that was exactly what she did. She stated that she was very fortunate to be given the opportunity to work at Conley Caraballo High School; she works with students who have it the hardest. She stated that in the last two years, the school has dealt with students living in their cars and families being displaced and separated. In the last two weeks, three students had to go to Tracy and Stockton, because their families were pushed out of this community. She asked how can she tell her students to work hard, get an education, comeback and serve their community. She did the same, and now she feels her city is letting her down. There is no way she could continue to live in Union City if the rents continue to increase. She stated that she will have to move to Tracy, get up at four in the morning, work, and then go back; that is not a lifestyle; she would be too tired for her students; she sees it with her colleagues. She asks the Taskforce to think about what community means to them. As indigenous people, she has been taught that every decision that they make, they think seven generations ahead. She asks the Taskforce to think about people before profit.
11. Jenny Zhao (San Jose) - stated with the heavy storms, one of her units had a window leak and in another a fence came down. She had to work during the storm to repair and serve her tenants. Ms. Zhao stated that she does not have a full-time job and no one guarantees that she receive a paycheck every month. Small property owners work hard to make a living. Tenants and property owners are not enemies. In fact, they need each other. It is proven that rent control is a bad policy. It will ruin the relationship between tenants and landlords. It will also ruin the city in the long-term. She asks the Taskforce to consider mediation and peer to peer counseling that will work in Union City.
12. Josephine Munoz (Union City) - stated that she understands that there are expenses as landlords and it is unfortunate when poor weather conditions cause damages. Landlords need to take the time to invest and check their properties to minimize damages. For example, if the windows had been treated, the issue would not have escalated. She stated that we have to think about our future generations; she has family members moving out of the area because they can no longer afford to live here. For others to say "Work harder", do they not think they are working at their full capacity? She stated that it is an insult to hear that, because she is not lazy she does work hard.
13. John Tom (Union City) - stated the housing demands in this area are high because there are a lot of high tech jobs. Landlords are not welfare providers and it is not their investment goal to have little or no profit. They are also not greedy. He indicated that the city should work on raising the minimum wage or make sure teachers and city employees are better paid to close the gap between high tech jobs. Mr. Tom hopes the city comes up with a plan that does not penalize a small sector of landlords.

VI. TASKFORCE DISCUSSION:

Bill Mulgrew - suggested alternating agenda Item VI. B, Refining Option C (Rent Stabilization and Just Cause Evictions), and Item VI. C, Consideration of Alternative Proposals, because it may make sense to know what options are on the table before the Taskforce starts to refine any of them.

Dorothy Jackson - seconded the motion.

Abigail Andrade- asked why is refining Option C on the agenda?

Alin Lancaster, HCD Coordinator - responded that this was the agenda that was proposed by the Taskforce and voted on at the last meeting.

Tony Samara - asked where in the minutes does it show that we voted on that?

Alin Lancaster, HCD Coordinator - responded that the motion to include refining Option C on the meeting agenda is on page 14 of the minutes. Dorothy Jackson made a motion and Chung Wu seconded it, there were ten votes in favor.

Abigail Andrade - stated that she thought the vote was to present new proposals.

Alin Lancaster, HCD Coordinator - responded the motion was to consider refining Option C and to consider alternative proposals.

Remy Fortier - stated she also thought that vote was to have another meeting, to consider additional proposals, but not to refine Option C.

Alin Lancaster, HCD Coordinator - responded that she listened to the meeting audio a couple of times and the motion that was made was to refine Option C and consider new proposals at the seventh Taskforce meeting. There were ten in favor and five opposed. Abigail, Chris, Anna, Ian, and Tony were opposed.

Abigail Andrade- stated that was because Tony Acosta suggested refining Option C.

Tony Acosta, City Manager-responded that he suggested perhaps the Taskforce might want to consider refining Option C.

Chung Wu - stated if there was confusion, the Taskforce could vote whether they wanted to consider refining Option C.

Remy Fortier- stated the way Option C was presented and voted on was clear. It was the framework only that the Taskforce voted on, that vote should remain, and the Taskforce could look at other proposals.

Tony Acosta, City Manager - stated refining Option C would not change the vote that was made on December 19, 2016.

Kris Kokotaylo, Deputy City Attorney- stated the Taskforce can always decide to refine something. If the Taskforce wanted to completely reverse a vote that has already been made, that's really not an option,

unless someone who voted in favor of Option C made a motion to reconsider the vote. This vote would have to receive a super majority in order for the Taskforce to reconsider the existing vote.

Alin Lancaster, HCD Coordinator - stated that the intent was to give the opportunity to the Taskforce to refine Option C, because there were a lot unspecified things.

Chris Cara - leave Option C as was voted on at the last meeting.

Alin Lancaster, HCD Coordinator - responded that recommendation is going to City Council, no matter what. All the voting that has been done thus far will be presented to City Council. The Taskforce just has the opportunity to have another vote on Option C with more specifics included.

Tony Acosta, City Manager- stated to provide some clarity, whether or not to consider Option C was intended to be the first item of discussion. Not to refine it but to consider whether or not it should be refined.

Dorothy Jackson - stated she made the motion at the last meeting. She did not make an agenda order in her opinion. The motion was whether or not to consider Option C and the Taskforce could either discuss it at the beginning or the end of the meeting.

Alin Lancaster, HCD Coordinator - responded that Ms. Jackson made a motion to discuss refining Option C and considering alternate proposals at the January 9th meeting. The motion was made in that order (Option C then alternate proposals) so the agenda items were listed in the same order. The Taskforce voted in favor of this motion, therefore, those items were put on the agenda.

Switch Order of Agenda Item VI. B, Refining Option C, and Item VI.C, Consideration of Alternative Proposals

AYES (7) – Tim Conde, Annie He, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Jamie Sessions, Chung Wu

Tony Samara

NOES (6) – Duru Ahanotu, Abigail Andrade, Chris Cara, Remy Fortier, Anna Nunez, Tony Samara

ABSTAINED (1)-Marjorie Rocha

ABSENT (1)-Ian Palavi

C. Consideration of Alternative Proposals

Discussion of Proposal 1 - Option C as voted on and an immediate moratorium on rent increases

Chunchi Ma - stated that Alameda County Water District proposes to increase the water bill by thirty percent. An increase in 2017 another five percent the next year, that is on top of a thirty percent increase in 2015 and a hundred percent increase in 2013. He asked if we can ask other groups to freeze their increases.

Abigail Andrade - responded that it is clear that Mr. Ma's tactic in this entire Taskforce and many others on this Taskforce has been to delay this process. Not to come to a solution. When Mr. Ma is saying "the water bill" that is his investment. If he is not prepared to take care of that, then he should not be in that business. That is a business and a choice that he made. People have to live and people are not able to live in this community because of the rent increases. We are wasting time. This entire meeting has been

a waste of people's time. We voted on something, because we need to make a decision. There is a crisis in our community.

Chunchi Ma- responded to Ms. Andrade that those tenants are forced out because they are bad tenants.

Abigail Andrade- responded if Mr. Ma cannot afford an increase in the water bill, then he has to take care of that. He entered that business by choice and that's the investment he made. People are in a crisis, people are living out of their cars. Ms. Andrade said that she has students coming to her crying saying "I have no place to live"; she is trying to save her community. People cannot live here; it's an emergency and it's a crisis. The fact that we are having this meeting proves to her that a lot of people just want to waste everyone's time. We need to have a moratorium on rent increases now. This keeps people in their homes and no cause evictions. This would keep our community together.

Chunchi Ma- stated anyone who has investments, is taking all the investment risk and no gains. You have one hundred percent of the risk. Would any investor take that risk?

Abigail Andrade made the motion to vote on Proposal 1 - Option C as voted on and an immediate moratorium on rent increases.

Chris Cara seconded the motion.

PROPOSAL 1 - Option C as voted on and an immediate moratorium on rent increases

AYES (4) – Abigail Andrade, Chris Cara, Remy Fortier, Tony Samara

NOES (9) – Duru Ahanotu, Annie He, Tim Conde, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Anna Nunez, Jamie Sessions, Chung Wu

ABSENT (1)-Ian Palavi

ABSTAIN (1) –Marjorie Rocha

Discussion of Proposal 2

- 1. Policy needs to be means-tested;**
- 2. Help people increase their income;**
- 3. Rent assistance based on demonstrated need as well as commitment to increase income and be more self-sufficient;**
- 4. Policy that specifically prevents housing providers from evicting tenants solely for the purpose of raising rent significantly.**

Chung Wu - stated that his intent was not to make a single proposal and that these were topic that would be worthwhile for the Taskforce to discuss. Each item was meant to be discussed separately.

There was an outburst from the audience. A resident stood up and stated "Does this mean you don't want us to live here, if we don't make enough money. What is that, to match our income and a different location"?

Tony Samara - stated that this was not a proposal and that the Taskforce was told to come to this meeting because there were specific proposals that had not been heard over the six meetings. That's why we are here and this is not a proposal. Mr. Wu wanted this meeting, where is his proposal?

There was another outburst from the audience. A resident began to say "This is segregation, this is totally segregation. You are going back fifty years".

Chung Wu - asked if we could continue this.

Chunchi Ma - commented to be civilized.

Abigail Andrade - responded to Mr. Ma not to tell people how to act or tell them to be civilized. He does not know their anger and he doesn't know their struggle. He doesn't know what that is because he is fine with people being displaced. Who is the one that is uncivilized?

Chung Wu - stated that each topic was meant to be separate. He had emailed Ms. Lancaster earlier in the day that he wanted to remove bullet points 1 (Policy needs to be means-tested) and bullet point 4 (Policy that prevents housing providers from evicting tenants for the purpose of raising rent) because after additional research, there are potentially technical difficulties with those items. Mr. Wu does not want to present an item to City Council that has not been well thought out. He would like to bring up bullet point 2 (Policy to help people increase their income) and bullet point 3 (Rent assistance based on demonstrated need as well as commitment to increase income and be more self-sufficient) and could discuss what they were.

Tony Samara made the motion to vote on the removal of Proposal 2 from consideration.

Abigail Andrade seconded the motion.

Remove Proposal 2 from Consideration

AYES (11) – Duru Ahanotu, Abigail Andrade, Chris Cara, Tim Conde, Remy Fortier, Annie He, Dorothy Jackson, Bill Mulgrew, Anna Nunez, Tony Samara, Jamie Sessions,

NOES (1) – Chung Wu

ABSENT (1)-Ian Palavi

ABSTAIN (2) – Chunchi Ma, Marjorie Rocha

Duru Ahanotu - stated during his vote that in principal he liked bullet points 1 and 4.

Annie He - stated during her vote that she also liked bullet points 1 and 4.

Discussion of Proposal 3 - Mandatory mediation with optional peer to peer mediation and Creation of a Task Force Housing Supply Committee

Bill Mulgrew - stated that this was working effectively in other nearby communities and we are not doing justice, if we do not look at supply issues.

Tony Samara - stated that Proposal 3 was a mild variation of options the Taskforce had talked about at length already and asked why there was a separate meeting to talk about this and why this was not brought up when they talked about mediation over two or three meeting ago.

Bill Mulgrew - responded it was here now.

Tony Samara - stated they had to assemble a whole new meeting just for this. This was basically Options A and B (mediation options) with a slight change. They have already discussed these options and voted on them.

Chunchi Ma - stated here was a new proposal.

Duru Ahanotu - stated that he would like to move that the Taskforce divide this proposal separating out tenant/landlord mediation from the housing supply committee component.

Remy Fortier - asked what accessory dwellings are.

Joan Malloy, ECD Director - responded that they are secondary units that share the same lot, such as an in-law unit.

Tim Conde - asked if the Taskforce approved the creation of a Task Force Housing Supply Committee, could it go with any other option.

Duru Ahanotu - responded yes, it would be a completely separate item. That item could be pursued after the completion of the Rent and Tenant Taskforce.

Remy Fortier - stated that she does not feel that the option of the supply addresses the immediate need for housing, but does not think it is a bad idea.

Tony Samara - stated that no one is against having more housing production, but that is not the reason they are here. They are here because of a crisis happening today around evictions and rent increases. Housing supply will not address that.

Chunchi Ma - stated that the housing supply is the root cause of the housing crisis. Rent control is a short-term solution and a more permanent solution is housing development.

Alin Lancaster, HCD Coordinator - added that in meeting 2, the Taskforce talked about what other things the City was doing to increase affordable housing. Ms. Lancaster noted that the City has finished an affordable housing nexus study that will be going to City Council possibly next month. The nexus study would allow for an affordable housing impact fee on new development. Also, Measure A1 also passed and there will be almost \$600 million dollars coming into Alameda County for affordable housing.

Joan Malloy, ECD Director - stated that the city allows accessory dwelling units and there are 243 apartments under construction adjacent to BART and another 450 are in the planning stages. Ms. Malloy also noted that there are almost 700 rental units in the pipeline adjacent to BART.

Tony Samara - asked what percentage of those 700 rental units were affordable housing.

Joan Malloy, ECD Director - responded that there were 157 units of affordable housing currently built at that site. That was the affordable component of the other two market rate projects.

Tony Acosta, City Manager - responded that none of the 700 rental units were affordable housing.

Duru Ahanotu made the motion to vote on the separation of Proposal 3 into two different proposals:

- Proposal 3A - Mandatory mediation with optional peer to peer mediation
- Proposal 3B - Creation of a Task Force Housing Supply Committee

Remy Fortier seconded the motion.

Separate PROPOSAL 3

AYES (10) – Duru Ahanotu, Tim Conde, Remy Fortier, Annie He, Dorothy Jackson, Chunchi Ma, Anna Nunez, Tony Samara, Jamie Sessions, Chung Wu

NOES (1) – Bill Mulgrew

ABSENT (1)-Ian Palavi

ABSTAIN (3) – Abigail Andrade, Chris Cara, Marjorie Rocha

Chris Cara - stated during his vote that he was here for tenant protections so he would abstain.

Discussion of Proposal 3A - Mandatory mediation with optional peer to peer mediation

Tony Samara - asked for someone to explain how mandatory mediation by itself would be separate from the discussion the Taskforce had over a couple of weeks ago, about mandatory mediation.

Bill Mulgrew - responded that it would involve peer to peer.

Tony Samara - stated peer to peer is run by the landlords by the Rental Housing Association (RHA) and asked if there was a reason this wasn't brought up when the Taskforce previously discussed it.

Bill Mulgrew - responded, what did it matter now?

Tony Samara- responded that the reason it matters was because the Taskforce was brought out to another two hour meeting.

Bill Mulgrew - responded, what did it matter?

Abigail Andrade - stated that it matters because they are here now.

Bill Mulgrew - responded, let's vote on it now.

Chunchi Ma - stated that peer to peer has been successful in other cities.

Anna Nunez - asked a clarifying question, in regards to the RHA, is there any difference from the previous mediation options? Is there a cost difference? Ms. Nunez was concerned if the cost could be passed on from landlord to tenant.

Bill Mulgrew - stated that the mediator would refer landlords to peer to peer mediation and there would be no cost to the City.

Alin Lancaster, HCD Coordinator - responded that there might be some additional costs to coordinate the referral process but the actual peer to peer mediation would be free.

Annie He - asked if peer to peer mediation was comprised of voluntary owners. It would not be an additional cost to the city.

Bill Mulgrew - responded that peer to peer mediation would be comprised of volunteers.

Tim Conde - asked to define peer to peer.

Alin Lancaster, HCD Coordinator - responded that peer to peer is landlord to landlord and asked Mr. Mulgrew to clarify if San Leandro and Fremont had contracts with the RHA for the peer to peer counseling.

Bill Mulgrew - responded no, San Leandro and Fremont do not contract with the RHA. If there is no progress with the mediation, the mediator has the option to ask for peer to peer counseling. Peer to peer counseling is often very effective because you can have an owner who is not necessarily acting on behalf of the industry. That kind of counseling can work wonders. It has been very effective in Fremont. Half of the cases the board refers to peer to peer have a successful result.

Marjorie Rocha - stated that ECHO Housing has had success with peer to peer counseling. When they could not help resolve a case, they refer the case to RHA. RHA has been extremely helpful in reducing the incidents from applicant rent increases. She can speak personally that it does work.

Chris Cara - asked wouldn't that be inappropriate that RHA, a landlord lobby group, is facilitating a peer to peer mediation. Like between a landlord and a tenant.

Bill Mulgrew - responded that the RHA finds the volunteers for the peer to peer counseling.

Chris Cara - responded that he fails to see how that is impartial.

Chung Wu - gave an example a friend who is a property owner. He had to discuss a rent increase with his tenant. He has not raised the rent, in the past three years. He told Mr. Wu that he needs to raise the rent because property taxes had increased. He wanted to raise the rent by eleven percent. Which if you divide it over a period of three years, it is similar to an increase in CPI. Mr. Wu explained to his friend that he needed to explain the reason and show his tenant the math and the cost.

Anna Nunez - asked if Ms. Rocha could share an example of peer to peer counseling. Ms. Nunez wanted to be walked through the process before she could make an educated vote.

Marjorie Rocha - responded when the Alameda County Rent Review was formed, ECHO had difficulty getting a hold of some of the landlords. They would just not respond to them. It was put into the rent review ordinance that ECHO would contact RHA because they seem to have a better ability to force the landlord to come to the table and sit-down to talk to them. Just as a point of clarification, the RHA does not want rent control. They will talk with the landlord and try to reason with them to reduce the increase to make it more affordable for the tenant. ECHO works with the RHA. They have developed a relationship with the RHA so they feel comfortable going to them, and telling them the situation they are faced with. This landlord won't respond. They would write and follow up. They have been successful getting landlords to reduce the rent increase. The landlords who do not want to reduce the rent increase are poster children for rent control. The RHA does not want that. That is why they do their best to discuss this situation with the landlords who are increasing the rent.

Chris Cara – stated it is extraordinary how much power the landlord groups have. If landlords are not cooperating with ECHO Housing, a mediation organization, and will only respond to RHA, that's the problem.

Marjorie Rocha – responded if the landlords hold all the power, the landlords are more likely to participate in peer to peer counseling making it more effective.

Abigail Andrade- responded that it does not help communities, it helps individuals. It doesn't address the issue of people being pushed out.

Chris Cara - asked in that situation, where is the tenant advocacy?

Abigail Andrade - commented that there is no tenant voice in peer to peer counseling.

Tony Samara - stated that the pressure on the landlords to reach an agreement only exists as long as there is the threat of rent control. If the movement or campaign for rent control demobilizes, the incentive for landlords to negotiate, because they are afraid of rent control, goes away.

Dorothy Jackson - stated that she wanted to talk about how peer to peer worked for the last number of years in Fremont. Fremont has had this situation for a long time. They have not had rent control and up until recently there wasn't a threat of rent control. They have had the mediation program for about ten years. It has been a long time. Because of the fact there is mediation many rents don't get raised above ten percent, because landlords do not even want to deal with it. So they do keep their rents under ten percent. If they do have to go to mediation, they go to mediation and they come to an agreement. They do meet with other landlords and often in that meeting, those that have been hardheaded, understand, they back away and it works.

Remy Fortier – stated that if there is a ten percent increase each year, over three years that is a thirty percent increase. That amount of rent increase on the average rental unit is still unaffordable.

Dorothy Jackson - stated that the cost of living has gone up more than ten percent over the last few years. She agrees, that is terrible, and what we are doing here tonight is not helping those people living in cars. What we are doing talking about rent control is saying, a blanket help for the people that are already in a home, but we are not helping the people who have no place to live and that is something that needs to be addressed. It is not the charge of this particular committee.

Abigail Andrade - responded that people are helping each other who have already been displaced. People are doubling up. She was there on Christmas Eve, where the City took on a project where some of the people she works with partnered with the City to renovate a mobile home for a homeless family, in this school district. There are ways to get people in homes. What we want to do is make sure we address the root cause of the problem. Number one is that people are being displaced. Rent stabilization keeps people in their homes. That is the reason why we are here.

Tim Conde - asked that the other proposals had many other elements, including evictions and harassment protections. How would those figure in to this?

Alin Lancaster, HCD Coordinator - responded that they were not included.

Tony Samara - stated he sat on the Fremont Taskforce and their program does not work. The clearance rate was about two percent for years until the rent control campaign started. All of a sudden they started to get more reasonable.

Chunchi Ma - stated that he was also at the Fremont Taskforce meeting and did not hear that. It was working. Basically, they did not refer some cases to the RHA.

Bill Mulgrew made the motion to vote on Proposal 3A - Mandatory mediation with optional peer to peer mediation.

Annie He seconded the motion.

PROPOSAL 3A, Mandatory mediation with optional peer to peer mediation

AYES (7) – Tim Conde, Annie He, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Jamie Sessions, Chung Wu

NOES (4) – Abigail Andrade, Chris Cara, Remy Fortier, Tony Samara

ABSENT (1)-Ian Palavi

ABSTAIN (3) – Duru Ahanotu, Anna Nunez, Marjorie Rocha

Duru Ahanotu- stated during his vote that he would abstain, peer to peer sounds interesting but would have preferred to have more hard data in hand. He asks that the Rental Housing Association do this peer to peer mediation as a preventative measure and not in response, so they don't have to get to this point in the first place.

Tim Conde - stated during his vote, that as a starting point he would vote yes.

Discussion of Proposal 3B - Creation of a Task Force Housing Supply Committee

Tony Samara - stated that proposal 3B was not an actual proposal that addressed the reason they were all there.

Bill Mulgrew - responded the purpose of the Taskforce was to review data on Rent and Tenant issues, if anyone could say supply is not a rent and tenant issue, he would shut up.

Tony Samara - stated that he would like to hear a timeline on when it would begin to impact a significant numbers of renters before he could oppose it or support it.

Chunchi Ma - asked how is it that we can only consider rent control, but not consider the root cause of the problem, the supply issue.

Tony Samara - asked what time estimation will this begin to help people?

Chung Wu - responded that a few years ago there was a lot of inventory in the market. Landlords were competing against each other to get tenants. When you have a small supply of inventory it does drive up the price. One thing you have to be aware of, the rental market does not stop at the city boundaries. Because Fremont, Union City and to some extent Newark, people who look to live in the neighborhood, they really look at all three. When we look at supply, there is quite a bit of supply coming online in Fremont. As we look at the whole supply issue, we have to look at it from a broader perspective.

Tony Samara - stated that getting back to his question, when will this begin to help people?

Dorothy Jackson - stated she heard people from the audience say "think seven generations down". If we don't start thinking about this, this housing supply our seven generations down certainly won't have housing to live in. Ms. Jackson speaks in favor of the proposal because of those future generations. Is it going to help tomorrow? No. Is it going to help in the long-term, yes.

Annie He - stated that she agrees she does own a house in Union City and is a resident. In the surrounding communities like Mountain View they, allow a secondary unit. She asked if cities could loosen up their policies to allow a long-term solution, like allowing secondary units or by increasing the density. She understood both perspectives of long-term and short-term. She believes that this second proposal is for City Council to consider.

Abigail Andrade – stated when Ms. Jackson uses the indigenous message “think seven generations down”, Ms. Jackson needs to think about who will be living in Union City seven generations from now because families that have lived in Union City for years have already been uprooted. Union City residents whose grandparents toiled this soil are now being faced to leave. Ms. Andrade’s daughter is a fourth generation resident and that may end today, because people are unwilling to understand the right for those families to live here. When the landlord advocates talk about supply as the only cause, they fail to address the problem of rent increases and evictions. The only root cause is that people are being pushed out right now, today. Those families are saying “Listen to our voice, we want to stay here, we have the right to be here”. If there is not a moratorium on rent increases right now, those families will have to leave. Ms. Andrade also expressed to the landlords advocates not to misuse the indigenous message.

Chunchi Ma - stated if no one wants their children or grandchildren or whatever how many generations of children to be here. Then they have to consider the housing supply, which is the root cause. Secondly, San Francisco because of the strict rent control and just cause eviction the actual housing stock shrunk by one-third. Owners sold the units and that created a supply problem. The first thing to do is stop rent control.

Abigail Andrade- stated that those people are not looking for new places to move into; the ones that live here are trying to stay in their homes. They are not in need of a new place to live; they are in need to stay in their homes. Ms. Andrade is confused as to how that doesn’t make sense to people. They are looking to stay.

Marjorie Rocha - asked just because they are here today, and they decide on the creation of the Taskforce Housing Supply Committee, does that exclude a vote on any other form of rent mediation or stabilization? If we vote for this, does that mean that everything else is off the table?

Tony Acosta, City Manager-responded no, every vote is recorded.

Marjorie Rocha - stated that this is just an add-on. This is something that is going to be formed if it is voted on and wanted. It will be in addition to everything else that has been voted on. There is going to be a way to look at the housing supply and seek to increase it.

Tony Acosta, City Manager - responded it is going to be a recommendation or not for the City Council to consider. It’s a job for city staff already to try and figure out ways in which we can fund housing. From a staff perspective, what is necessary is not simply more market rate units. The key problem was the dissolution of Redevelopment by the State Legislature. Without Redevelopment, a billion dollars left affordable housing. The issue is to keep families in Union City, and to build housing that families can afford. If we allow the market to go, the market will behave like the market will behave and there will be supply and demand that will come out of this. Staff perspective, there are a lot of people that can build market rate housing because that is where the profit is. We are struggling to find enough funding to capitalize with our non-profit partners for affordable housing. That is very expensive, it’s over a half of million dollars a unit. Which means for twenty units a fairly small apartment building they start at ten

million and then the cost goes up from there. Staff cannot modify any of these items. The staff report that accompanies this will bring up the fact that housing supply is one thing and affordable housing supply is a subset of that, which is very important.

Bill Mulgrew made the motion to vote on Proposal 3B - Creation of a Task Force Housing Supply Committee

Tim Conde seconded the motion.

PROPOSAL 3B, Creation of a Task Force Housing Supply Committee

AYES (9) – Duru Ahanotu, Tim Conde, Annie He, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Marjorie Rocha, Jamie Sessions, Chung Wu

NOES (4) – Abigail Andrade, Chris Cara, Remy Fortier, Tony Samara

ABSENT (1)-Ian Palavi

ABSTAIN (1) – Anna Nunez

Remy Fortier - stated during her no vote, that she would vote for Proposal 3B if it was a component of Option C and if it included affordable housing in the proposal description.

Anna Nunez - stated during her vote that she abstains but seconds Remy's comments above.

Chung Wu - stated during his yes vote, that it's important to take a holistic approach to make sure we have infrastructure, schools and commute capacity.

Discussion of Proposal 4 - Moratorium on rent increases and no-fault evictions

Chris Cara - stated Proposal 4 is just the responsible thing to do while we sort out a more long-term solution. Mr. Cara did not really put it out as a proposal per se. Just as the responsible thing for the City to do in the meantime.

Chunchi Ma - asked how is this proposal different from Proposal 1?

Tony Samara - responded that it included no fault evictions.

Alin Lancaster - responded that this proposal was pretty much the same as Ms. Andrade's Proposal plus no fault evictions.

Chung Wu - asked Mr. Cara if he wanted the Taskforce to consider Proposal 4.

Chris Cara- stated that there is very little difference from Proposal 1. In Mr. Cara's estimation, the whole point of this Taskforce is to consider some long-term solutions. A temporary moratorium by definition is not a long-term solution. He did not propose it as a long-term solution, just as a responsible measure. To stop the increase until we figure something more long-term. He did not intend to put this out as a formal proposal because he did not see how the Taskforce could add anything to what has been discussed the past couple of weeks.

Chung Wu- asked Mr. Cara if he did not want the Taskforce to consider it.

Chris Cara - stated that he thought it was something they should do. This is something they have advocated from the beginning and does not see it as a new proposal. Mr. Cara definitely does not see it

as a long term proposal, just something they should do. If we see it as a proposal then sure, on the grounds it is the responsible thing for them to do, for struggling families, then sure he will back it up as a proposal.

Tony Samara - stated that they all realize no matter what happens at the City Council meeting, it will take a while. So while that process is working its way out, the crisis that brought us here in the first place continues and the idea of having a moratorium is to say look, there are a lot of ideas out there and there is a lot of discussion, disagreement and debate. So while all that is happening, let's at least place a moratorium on rent increases and no fault evictions until we get this sorted out.

Chung Wu - stated that a temporary moratorium would impact some of the properties and not the other properties.

Tony Samara - stated that it is not that complicated. Other cities have imposed moratoriums.

Chris Cara - stated to look at Alameda, for example.

Chunchi Ma - stated that Redwood City rejected a rent freeze from the line items of their Taskforce. In that case, let's freeze everything. Let's freeze the increases in water, electricity and other utilities.

Chris Cara made the motion to vote on Proposal 4 - Moratorium on rent increases and no-fault evictions

Tony Samara seconded the motion.

PROPOSAL 4 - Moratorium on rent increases and no-fault evictions

AYES (5) – Abigail Andrade, Chris Cara, Remy Fortier, Anna Nunez, Tony Samara

NOES (7) – Tim Conde, Annie He, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Jamie Sessions, Chung Wu

ABSENT (1)-Ian Palavi

ABSTAIN (2) – Duru Ahanotu, Marjorie Rocha

B. Refining Option C – Rent Stabilization and Just Cause Evictions (as concepts only)

Tony Acosta, City Manager – clarified that the first issue is whether or not to consider refining Option C

Remy Fortier - stated that she thinks the most important thing or takeaway from this entire Taskforce was the vote on Option C. On a day when there was complete attendance, they were able to say as a group that something has to be done. That is as far as the Taskforce has gotten. It is a little bit too decisive of an issue for this group to come together on specifics. The framework is just that the Taskforce came to an agreement that something has to happen and that is the best recommendation the Taskforce has given City Council up to this point.

Duru Ahanotu - stated that he agrees with Ms. Fortier. That was basically what the Taskforce had accomplished.

Tony Samara - stated that he agrees there is no good reason to get back into the details of the framework. That should go to City Council.

Chung Wu - asked if there was a motion to stop discussion on Option C.

Anna Nunez- asked regarding Measure A1 that passed with \$9.7 million allocated to Union City, what was the proposal behind that? Is there something the city can disclose of what is in the works?

Alin Lancaster, HCD Coordinator - stated that Alameda County is administering the funding. Over a \$100 million is going to three different homeownership programs that will be administered by the County. If an applicant meets the income qualifications it will be on a first come, first serve basis; and \$425 million is going to construction of affordable rental housing. The County is still in the process of figuring out their allocation process and timelines. What that process looks like, Ms. Lancaster does not have a definitive answer for Ms. Nunez. Some of the requirements of the funding include a city match and the funds will have to be for rehabilitation, acquisition or construction. The funds could not be used for a rent subsidy program.

Duru Ahonotu - asked, what powers does the City have to raise funds to match? Is it property tax or another bond?

Alin Lancaster, HCD Coordinator - responded through the inclusionary housing ordinance, the City has been able to collect some fees and as she previously mentioned the City also has the nexus study that would allow the City to charge an affordable housing impact fee on new development. The City Council will be reviewing that the nexus study soon. However, as Mr. Acosta mentioned, with the loss of Redevelopment, the City does not have as many opportunities to generate funding for affordable housing.

Tony Acosta, City Manager - stated that the 157 units of affordable housing by BART, that whole project in today's market would be about a seventy million dollar project. Even with the bond money, the best projection might be about 20 million, so there is an issue with affordable housing. The city will build as much as they can. There is just not enough money to build what the City needs.

Chunchi Ma - stated that aside from the impact fee, Mr. Ma thinks the quickest solution is in-law units or second dwelling units. Homeowners can actually use their own money to build them. That way additional supply can be created.

Alin Lancaster, HCD Coordinator- responded that the City does allow accessory dwelling units or in-law units. The City is in the process of updating their code regarding accessory dwelling units

Tony Acosta, City Manager - stated that the State Legislation adopted a bill last year to liberalize accessory dwelling units.

Tony Samara made the motion that the Taskforce will not continue discussion of Option C - Rent Stabilization & Just Cause Evictions

Duru Ahanotu seconded the motion.

Close Discussion of Option C - Rent Stabilization and Just Cause Evictions (as concepts only)

AYES (12) – Duru Ahanotu, Abigail Andrade, Chris Cara, Tim Conde, Remy Fortier, Dorothy Jackson, Chunchi Ma, Bill Mulgrew, Anna Nunez, Tony Samara, Jamie Sessions, Chung Wu

NOES (0) –None

ABSENT (1)-Ian Palavi

ABSTAIN (2) –Marjorie Rocha, Annie He

Tony Acosta, City Manager - acknowledged the completion of the Taskforce and wanted to thank all the Taskforce members for their service. The City Council at its January 10th meeting is considering its meeting schedule for the upcoming year and there is a proposal in staff report to hold a special meeting on January 31, 2017, solely designated for the Council to hear the Taskforce report and take whatever action they feel appropriate. City Council is concerned with what is happening in the community. They will take into consideration everything the Taskforce has done. Thank you to the Taskforce and thank you to the community for speaking their truths.

C. ADJOURNMENT:

The meeting was approximately adjourned at 9:01 p.m.