



SPECIAL MEETING OF THE HOUSING ADVISORY COMMISSION

Meeting Minutes

January 31, 2022, 6:00 p.m.

Council Chambers, 276 Fourth Avenue, Chula Vista, CA

Present: Commissioner Cabral, Commissioner Lisama, Commissioner Vikki Robinson Opeodu, Commissioner Paddock

Absent: Commissioner Bustamante, Commissioner Hoyos, Commissioner Merino

Also Present: Senior Management Analyst Dorado, Acting Housing Manager Kurz

Others Present *Management Analyst Barnard, Secretary Zepeda and Development Services Technician Ramos*

1. CALL TO ORDER

A special meeting of the Housing Advisory Commission of the City of Chula Vista was called to order at 6:08 p.m. in Council Chambers, located at City Hall (building #A), 276 Fourth Avenue, Chula Vista, California

2. ROLL CALL

Secretary Zepeda called the roll.

3. CONSENT CALENDAR (Items 3.1 through 3.2)

3.1 APPROVAL OF SPECIAL MEETING MINUTES OF DECEMBER 8, 2021

Moved by Commissioner Lisama

Seconded by Commissioner Paddock

Commission approve minutes

Yes (4): Commissioner Cabral, Commissioner Lisama, Vikki Robinson Opeodu, and Commissioner Paddock

Result:Carried (4 to 0)

3.2 WRITTEN COMMUNICATIONS

Moved by Vikki Robinson Opeodu

Seconded by Commissioner Lisama

Commission approve absence

Yes (4): Commissioner Cabral, Commissioner Lisama, Vikki Robinson Opeodu, and Commissioner Paddock

Result:Carried (4 to 0)

4. PUBLIC COMMENTS

No public comments received

5. ACTION ITEMS

5.1 CONSIDERATION OF RECOMMENDING ADDING A PROPOSED LANDLORD AND TENANT ORDINANCE TO THE CHULA VISTA MUNICIPAL CODE

Housing Manager Kurz requested input from commission on the proposed landlord and tenant ordinance before taking it to council. In October of 2021 city staff was given a referral by council to address certain issues that had been occurring. Over several months council heard from tenants regarding evictions that were occurring due to substantial rehab. Staff also heard from a few tenant advocacy groups and their concerns about potential loopholes in State Law. City Council directed staff to look specifically at substantial rehabilitation, removing properties from the rental market, harassment and retaliation and how the city can be more involved in the process. From a staff perspective, staff wanted to ensure stakeholders involvement in the process and evaluate what resources the city may need in order to enforce any ordinance. Kurz asked for input on the draft ordinance with hopes of presenting it to council in a February meeting. Deputy City Attorney McClurg continued by sharing an overview of State Law and the three main laws that currently apply to Chula Vista.

The first is the Ellis Act which relates to whether a landlord or owner can take a rental property off the rental market. The second main law is the anti-harassment provision in the Civil Code and identifies a few ways landlords are prohibited from discriminating against tenants. The third major provision is the Tenant Protection Act that requires landlords or owners to have a legal reason for terminating a tenancy that's been in place for at least a year and is divided into two sections, at fault termination or no fault termination. The Ellis Act and the Tenant Protection Act do allow local jurisdictions to provide their own protective measures. Management Analyst Barnard continued by presenting that there are currently thirty jurisdictions in California that have passed additional Just Cause/Anti-Harassment Ordinances, he also shared San Diego County trends and data provided by the City's fair housing provider CSA. Kurz shared the following alternative solutions, continued education for both tenants and landlords, city enforcement for business license, using statewide industry partners for tenant defense and dispute resolution/mediation. McClurg concluded by providing a brief overview of the draft ordinance which include twelve additional forms of harassment defined and you are not allowed to retaliate against tenants if they exercise their right under the ordinance. Ellis act provides one month of relocation assistance, but the draft ordinance increases that assistance to two months. She also explained that all the provisions in the ordinance would not apply to mobilehome parks as they fall under the city's municipal code under chapter 9.40 and the draft ordinance has further defines what a substantial remodel is. She concluded by requesting input from the commission. Commissioners asked some clarifying questions before hearing public comments.

Thirty public comments were heard, twelve in support and eighteen in opposition, fifty emails were received in opposition and thirty-nine eComments received, five in support and thirty-four in opposition of the ordinance.

City Attorney Googins provided guidance to the commission in regards to the recommendation that needs to be made in order for staff to proceed with presenting the ordinance to council. Kurz stated she was aware that more work was needed with stakeholders. In conclusion commissioners asked who would be enforcing this ordinance, clarification if mobilehomes are included in the ordinance, they need a clearer understanding of state law and how it protects tenants, and all agreed that more education is

needed for both landlords and tenants and perhaps mediation between the two.

A ten minute recess was requested with meeting resuming at 9:04 p.m.

Commission review Attachment 2, hear the presentation and provide an advisory recommendation to City Council

5.2 CONSIDERATION OF RECOMMENDING PROPOSED "THE RESIDENCES AT ESCAYA" AND "CASALAGO EASTLAKE" WORKFORCE HOUSING PROJECTS

Housing Manager Kurz provided a brief background to the workforce housing projects that were presented to the commission back in December and she is requesting an advisory recommendation to move forward to council with the two projects, CasaLago and The Residences at Escaya. This project now has a third party reviewer, Mark Sawicki with RSG and engaged with an outside attorney to be able to assist with moving this forward. Back in October council adopted a policy that would allow staff to bring forward workforce housing and part of that process includes bringing the project forward to the commission for consideration of the application. Per the policy the maximum number of units that can be converted is 1911. If both of the projects are approved 272 units would be converted, that would leave around 1200 units to do additional projects. Senior Management Analyst Dorado continued by providing an overview of the properties and explained how the city does not have an existing affordable housing covenant due to the city's balance community's policy. Mr. Sawicki with RSG continued by sharing the financial analysis for Escaya. He shared that the recommended approach for cities is to proceed cautiously looking at these as it is a new program. Under the program, the city incurs minimal costs by abilities and administrative responsibilities in connection with membership in the JPA and monitoring the program. The city is not the bond issuer and provides no funding or credit enhancement, the acquisition bonds do not diminish the city's issuing capacity and they are backed solely by the project's revenues, this means it's a low risk for the city but also a high return opportunity and the city gets all of the equity upside after the bonds are paid off. The downside to the projects is that the city is foregoing property tax and the projects not being able to meet it's debt. Dorado continued by providing an overview of the CasaLago property with Mr. Sawicki sharing the financial analysis for the property. CasaLago is a much larger property meaning borrowing will be larger and it will need to rely on reserves, they would need the reserves

to pay debt service for at least the first four years and would begin to repay principal by year eight. City Attorney Googins shared with the commission that there is still work that needs to be done with the documents received and ensuring this project aligns with the city's housing policy. The chair and commissioners had some clarifying questions regarding the percentage amount of rent increases and if there are currently any other project like what is being proposed and how are they working out. In conclusion the commission gave consensus to staff to continue with the project and present to council.

Commission review attachment 3, hear the presentation and provide an advisory recommendation to City Council

OTHER BUSINESS

6. STAFF COMMENTS

Housing Manager Kurz shared that the Emergency Rental Assistance Program (ERAP) has stopped accepting applications as the program has ended.

Senior Management Analyst Dorado shared that the city applied for additional funding for the Emergency Rental Assistance Program and are waiting for a response from the State Treasury Department.

7. CHAIR'S COMMENTS

Chair Cabral thanked everyone for coming and staying so late and welcomed the new commissioner.

8. COMMISSIONERS' COMMENTS

None

9. ADJOURNMENT

The meeting was adjourned at 10:00 p.m.

Minutes prepared by: Monica Rodriguez, Secretary

Monica Rodriguez, Secretary