Additional Information Item # $\underline{AC} - Raso$



CHULA VISTA, CA 91910

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City Councilman Jose Preciado

February 6, 2023

Thank you your response to my E-mail. Hoping, to update the Chula Vista City Council at tomorrow's meeting (02/07/23) regarding the devastating side effects of Chapter 9.65 of the Chula Vista Municipal Code Ordinance 3527 (commonly known as the "Residential Tenant Protection Act").

There are several clauses within this ordinance which are harmful to Chula Vista renters. I have previously E-mailed all the necessary documentation with a summary of the two most egregious sections of this act.

I drew on my fifty years experience as a Chula Vista residential landlord studying this ordinance in great detail. Additionally I have consulted with several real estate professionals of whom I trust and have known for over 35 years. If you doubt the accuracy of my conclusions, please feel free to contact:

Jon Miller Reality, 283 "G" St. CV 91910. Personel Cell:

Earl Jentz of Balboa Reality 659 Third Ave CV 91910. Personel Cell: Barry L St. Onge of Allstate Insurance 651 Third Ave CV 91910.

Initially Jon Miller was unconcerned. Basically he felt that this ordinance would never pass because of its numerous flawed clauses. Earl Jentz, on the other hand, was pessimistic from the beginning. He felt the "Residential Tenant Protection Act" was Mayor Salas's "Baby" and she was determined to push it thru before the end of her term no matter how many people where harmed. Barry L St. Onge, who has been our insurance agent for over 35 years, avoided the political aspects of this ordinance. Since last Autumn, he has simply been advising all his clients to liquidate their Chula Vista residential real estate holdings. Mr St. Onge is certain that, because of this ordinance, it is way too risky being a Chula Vista residential Landlord.

I hope I have not breached the confidence by sharing the opinions of these professionals. However, with the fast approaching implementation of this ordinance, and the harmful side effects soon to be experienced by all Chula Vista renters, I felt it was worth taking a chance sharing this info.

On a personnel note: Here is how this ordinance effects a couple of tenants I have the privilege of serving. Tony (his real name) has made a home in one of our 1 bedroom 1 bathroom units. Since we have purchased the property many years ago and because I am pretty handy doing most of the maintenance myself, Tony can live in our beautiful community for \$1,000 a month. He loves the place.

Pam, a Grandmother living on SSAN, has been a wonderful tenant for over eleven years. This past Spring I transformed her 1960's era two bedroom two bathroom condo into a beautiful modern home. Although the rent for identical units in the complex ranges from \$2,600 to \$2,800, we managed keep her rent at \$2,200.

Because of this ordinance, all has changed. Mary and I are now forced to raise rents more than we have ever feared was possible. Now all Chula Vista Landlords will be prohibited from charging reasonable rents. As stated many times before, here are just two reasons why.

Although most of our tenants are long time residents, sooner or later a tenant will move for what ever reason (Job transfer Etc). Clause 9.65.060E States if a tenant terminates their lease and moves away, "Owners and Tenants shall provide City with information regarding termination of Tenancies at such time(s) and with such details as shall be required by city in the attendant Administration Regulations."

Additionally, if a tenant or landlord makes a procedural error informing City Staff of the details of the move, Clause 9.65.080C2 States: "Civil penalties for violations of this chapter may be assessed at a rate not to exceed \$ 5,000 per violation per day. When a violation occurs it is not required that a warning or notice to cure must first be given before an administrative citation or civil penalty may be issued." Effective March 1, 2023, not only will Landlords be subject to \$5,000.00 daily fines for simple paperwork errors but may also be prohibited from correcting those errors.

Using as the example of our previously mentioned tenants and with rent increases capped at 10%, Tony will have to pay an additional \$100.00 a month for fifty months in order for Mary and I to simply impound the \$5,000.00 required to pay a mere one day fine which is soon to follow. We have also been forced to increase Pam' monthly rent by \$220.00. ALL BECAUSE OF SIMPLE POTENTIAL PAPERWORK ERRORS!

I have talked to numerous City Staff Members. Staffers insist that it is not their intention to dispense fines for mistakes. However, considering substantial fines can be levied for simple paperwork errors, prudent Landlords will not rely on the "Hope" they will not face fines. A prudent Landlord must be prepared by raising rents.

I also have had conversations with the City Attorney who was instrumental in creating this ordinance. She insisted it would be very difficult exempting people from fines for simple errors because "How would one decide who made an error or who purposely ignored the law?"

I believe the vast majority Landlords are decent honest people. This whole problem has a common sense solution by replacing *"it is not required that a warning or notice to cure must first be given"* with the following clause: *"Upon*

notification, Landlords and/or Tenants have 30 days to cure any violation to this ordinance."

I could share additional clauses which are detrimental to our community. In the interest of brevity Clauses 9.65.080C2 and 9.65.060E are the most egregious.

This Ordinance passed last year with 3 council members voting in favor and 1 (Jill Gavez) voting no. Of the 3 who voted in favor, all stated in one form or another: "Although this Ordinance is not perfect,..." If you check, you will realize all council members had some reservations with this ordinance. It is time to correct the clauses which diversely affects Chula Vista renters.

Our City Attorney has advised Mayor McCann to recuse himself in this matter. **I am pleading with you to take the lead** and encourage our City Council to show compassion for the most vulnerable of our society by placing this item on the Council's agenda and passing the following motion:

"Implementation of ORDINANCE NO. 3527 ("Residential Tenant Protection Act") to be delayed to give staff sufficient time modify clauses which adversely affects renters and insert language giving "the right to cure" to those who are in violation because of an inadvertent mistake."

Thank You

Joseph A Raso