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Council Member Andrea Cardenas

May 31, 2023

The purpose of this communication is to:

- A) Reveal the disastrous side effects the
“Tenant Protection Act” has on the Homeless,
Elderly, and Chula Vista’s Rental Community
- B) Outline a simple proposal for a revenue
neutral means to correct the “Act’s” inequities.

For your convenience, this letter has also been E-mailed to you in PDF Form. To enable you confirm the accuracy of the facts contained herein, you will also find attached to your E-mail PDF copies of:

- A) Chapter 9.65 of the Chula Vista Municipal Code Ordinance 3527 (commonly known as the
“Tenant Protection Act”)
- B) Administrative Regulations of the Tenant Protection Ordinance.

In the PS section of this communication is the data supplied by City Staff as requested by the previous City

Council which was used to create The “Tenant Protection Act”

If you take time to review of the facts contained herein, I am confident that you, along with your fellow Council Members, will adopt a plan to amend the “Tenant Protection Act” in order to mitigate the harmful side effects this ordinance has on those members of our community who can least afford.

I am greatly discouraged by your lack of concern in this matter. As your constituent and a 68 year resident of Chula Vista, I respectfully insist that you communicate back thru the above E-mail or cell number that you have AT LEAST received and reviewed this info.

Clauses Which Need Immediate Attention:

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, failure to comply or simple paperwork errors results in Tenants and/or Owners being subject \$5,000.00 daily fines WITH NO OPPORTUNITY TO MAKE CORRECTIONS. (See Clause below)

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.”

I was informed by City Staff the problems created by the glitches and poor wording of the “Tenant Protection Act” would be addressed by the “Tenant Protection Ordinance Administrative Regulations” (A copy of which has been E-mail to you).

Unfortunately there are areas within the “Administrative Regulations” which directly contradict the “Tenant Protection Act”. Those contradictions are addressed in page 3 section “C” of the “Administrative Regulations” which states:

“C. Governing Terms in the event of Conflict: To the extent of any conflict between these regulations and Chapter 9.65, the terms of Chapter 9.65 shall govern.”

The above clause of the “Administrative Regulations” brings us back full circle forcing Owners and/or Tenants to adhere to all clauses of the “Tenant Protection Act” (poorly worded or not).

Regarding \$5,000.00 Fines For Inadvertent Errors:

City Staff has communicated on many occasions it is not their intention to levy fines for inadvertent paper work errors. Two Points why that statement is simply NOT true:

Point One:

If staff truly had no desire to levy fines for inadvertent errors, Clause 9.65.080C2 would have been worded as...

“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, a warning or notice to cure must first be given before an administrative citation or civil penalty may be issued.”

...Instead, Staff purposely inserted the following five words (underlined):

“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.”

City Staff maintains the reason The Ordinance does not exempt inadvertent errors and does not afford Owners and/or Tenants an opportunity for the “right to cure” is because it is difficult to differentiate errors from willful misconduct. Using that flawed logic, it would easier for the CVPD to

write tickets for everyone driving down the road instead of only speeders.

It is not the purpose of the “Tenant Protection Act” to make life easier for Staff. The purpose the “Tenant Protection Act” IS TO PROTECT TENANTS. Levying huge fines to be passed on to tenants not only does nothing to protect and improve the lives of Tenants but can financially devastate a large portion of our rental community.

Informing Owners and/or Tenants who are in violation of The “Tenant Protection Act” and affording them the opportunity to correct their mistake creates a simple mechanism to separate conscientious Owners and/or Tenants from the “Bad Actors”. Once separated, City Staff can then devote their attention to those “Bad Actors” who have ignored warnings and should be free to levy substantial fines if necessary.

Point Two:

On a related subject: Chula Vista residents of Mobile Home parks must pay the City a \$12.00 annual fee if they want to receive Rent Protection from owners of Mobil Home Parks who raise space fees more than permitted by City Ordinance. Mobil Home Park residents are informed the \$12.00 fee is used to pay staff for enforcing the ordinance.

At a recent “Housing & Homeless Advisory Commission” meeting City Staff had informed the public “The City is currently staffing up the Housing & Homeless Service Department by ten positions in order to enforce the Tenant Protection Act.”

Considering Chula Vista’s policy of charging a fee in order to recoup funds required to pay staff to enforce Mobil Home Park ordinances, WE ARE BEING VERY NAIVE IN BELIEVING WELL MEANING PROPERTY OWNERS WOULD NOT FACE SUBSTANTIAL FINES (WHICH MUST BE PASSED ON TO TENANTS) IN ORDER TO FUND STAFF TIME FOR THE ENFORCEMENT OF THE “TENANT PROTECTION ACT”. In fact, the City Manager would be remiss if some funding mechanism was not created to support the staff enforcing this Ordinance.

Under Current Wording, Financial Hardship For Tenants is Assured Even if No Fine is Immediately Levied:

Ironically, staff does not have to actually fine Owners for Chula Vista renters to suffer financial hardship. The mere threat of \$5,000.00 daily fines for Owners and/or Tenants who make inadvertent paperwork errors (without given an opportunity to correct said errors) is sufficient motive for prudent Owners to substantially raise rents in order to impound funds for possible future fines.

In Closing:

On a personal note: In my fifty years as a Chula Vista Property Owner and Landlord, I have consistently attempted to be a good steward of my responsibility to provide a beautiful comfortable home for tenants at a very reasonable rent. Many renters have been with Mary and I for 10, 20, even 30 years.

When calculating rents, Mary & I annually evaluate the expenses of each property and adjust rents accordingly. Effective January 1, 2023 an increase of expenses forced a modest \$25.00 monthly rent increase on a few tenants. Fortunately rent for most tenants remained unchanged. Ironically one tenant actually had their rent reduced by \$25.00.

With the passage of this ordinance authorizing fines for simple paperwork errors the situation has changed dramatically. We were forced to adjust some rents by as much a \$220.00. In my half century of providing Landlord services to our community, I HAVE NEVER seen an action taken by the Chula Vista City Council more financially devastating to the renters of our community than “The Tenant Protection Act”.

If you doubt the hardship this Act has placed on our community, call me. I will provide you with Pam’s phone number. Pam is an elderly Chula Vista resident who has

been our tenant for almost twelve years. She will explain how this massive rent increase you have forced upon her has effected her life.

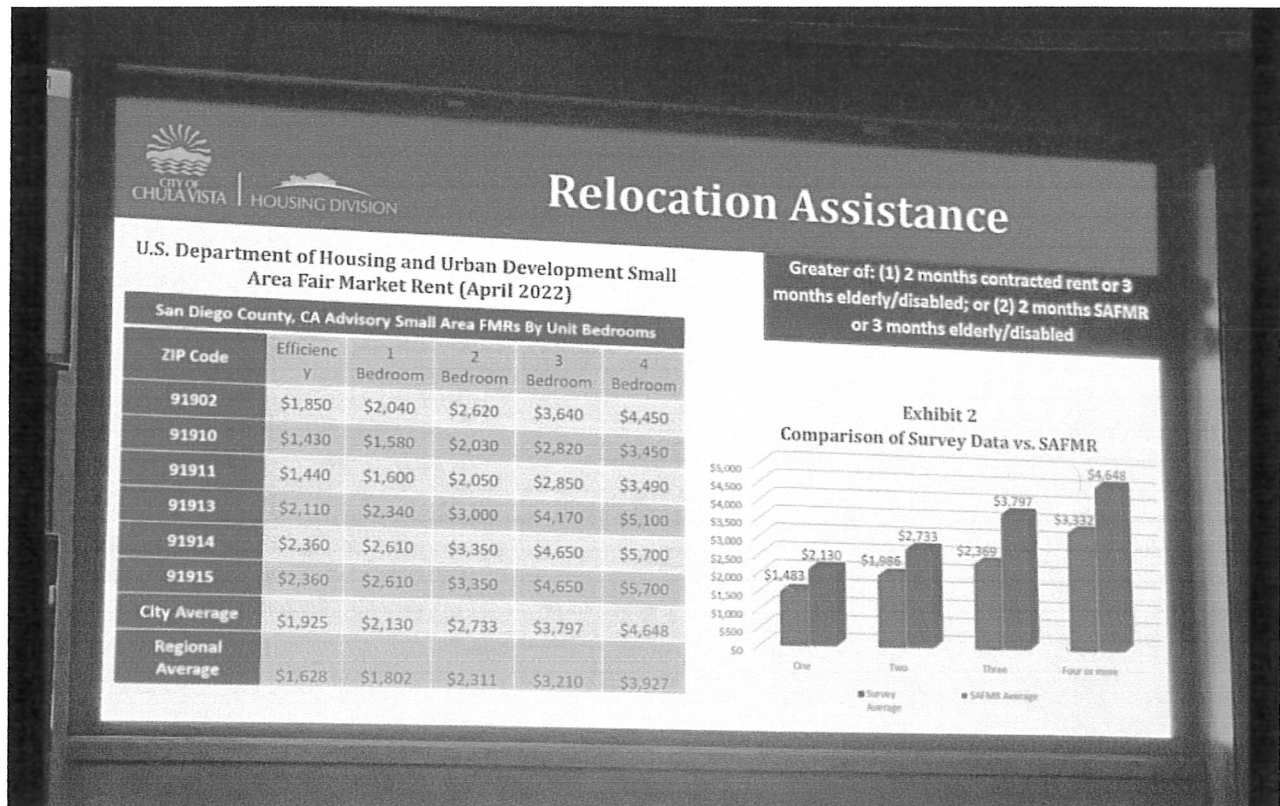
Additionally, I am greatly encouraged by the steps The City Council has taken to assist the homeless of our community with the introduction the Homeless Bridge Shelter near Main Street. May I suggest that you may have a much greater chance of success in providing long term affordable housing for the homeless if you modify the current language of the "Tenant Protection Act" which, as written, forces Owners to substantially rise rents.

Thank You and please let me know how I may be of assistance to improve this situation.

Joseph A Raso

PS: Documentation of the above information:

- 1) Chula Vista Population: 283,972
(Chula Vista - U.S. Census Bureau QuickFacts)
- 2) Average number of individuals in each household: **3.31** *(Chula Vista - U.S. Census Bureau QuickFacts)*
- 3) Percentage Chula Vista housing which are rentals. **42%** *(Data compiled by City Staff)*
- 4) Number of Chula Vista Rental Units: **36,033**
(Population of Chula Vista (283,072) divided by the average number of people residing in each Residence (3.31) equals 85,792 multiplied the percentage of residences which are rentals (42%) equals the approximate number of Chula Vista rental units. (36,033)
- 5) Approximate number of Chula Vista renters: **119,268** *(CV Population 283,972 x .42%)*
- 6) Approximate Average Monthly Chula Vista Rent: **\$3,047.00** *(See attached CV Staff provided "Relocation Assistance" Pic - Average of Line 2nd from bottom)*
- 7) With no right to cure, amount of daily fine levied if Landlord or Tenant inadvertently makes a paperwork error when Tenant terminates lease and moves: **\$5,000.00** *(Clauses 9.65.060 E and 9.65.080 C2 of "Residential Landlord and Tenant Ordinance")*
- 8) Maxim average monthly rent increase allowed . . **\$304.70** *(\$3047.00 x 10%. California AB-1482 5% plus inflation Max 10%)*
- 9) Average number of months required for Landlord to recoup a one day fine: **16.41** *(\$5000.00 divided by \$304.70)*
- 10) Approximate total monthly maximum rent increase levied on Chula Vista Renters if Landlords are forced to impound funds to the pay daily fines. . **\$10,979,255.00** *(36,033 Rental Units multiplied by \$304.70)*



Conclusion Drawn From Facts 1 thru 10 above:

With rents at an all time high, Credit Card debt at historic levels, and savings at an all time low, pushing a \$10,979,255.00 monthly rent increase on the Chula Vista residents who can least afford will be devastating. If less than one half of one percent of Chula Vista renters are “Pushed Over The Edge” and are forced to live on the streets, almost **600** of our neighbors will be left homeless. ($119,268 \text{ times } .005 \text{ equals } 594$)