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Honorable Mayor & City Council

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After a year of working with City Staff attempting to protect tenants from the financial devastation caused by the “Tenant Protection Ordinance”, I have been awoken to the fact that I am very naive. I come to you this evening sad and totally discouraged for the following reasons.

Reason One: Data supplied by City Staff has proved beyond doubt the TPO has placed a “back breaking” financial burden on our community’s homeless and renters. I naively believed once our City Council Council was made aware of the situation, they would take steps to correct the TPO’s flaws. Boy was I wrong!

We have been working for over a year with Chula Vista staff creating a path to relieve the financial burden placed on our community’s renters by the “Tenant Protection Ordinance”. Although Staff supplied data has proved with out a doubt the devastation the TPO has brought upon our community’s Renters and Homeless, I have so far been

unable to get our City Council to simply care about the pain and suffering they are inflicting on Chula Vista renters.

Reason Two: Although we have four areas of agreement with City Staff on the main flaws and possible remedy of the TPO, **our City Council has shown a complete lack of interest in bringing relief to the constituents they purport to represent.**

You have already been presented the four areas where we all can agree: (*See italics below*)

- 1) *What is causing the most harm to tenants are Clauses in the TPO threatening Landlords and Tenants who have made inadvertent mistakes with \$5,000.00 daily fines. Clause 9.65.080C2 (“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.”) and clause 9.65.060E (Reporting Requirements. 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 Administrative Regulations.) Translation: Tenant makes a mistake, Landlord get fined \$5,000.00. If staff had no desire to levy fines for inadvertent errors they would have not purposely*

inserted the five words: “it is not required that...” in clause 9.65.080C2 above.

- 2) Landlords of the *36,033 rental units (*Staff supplied data) must raise rents in order impound funds to pay the potential fines of those who have made inadvertent errors.
- 3) *During the entire first year of enforcement, staff has yet to be made aware of a single Landlord or Tenant being subject to a fine which means there are virtually no “Bad Actors” in CV.*
- 4) *With so few “Bad Actors”, the financial harm placed on the backs of Tenants could very well exceed the potential benefits received by the “TPO’s” constant threat of \$5,000.00 daily fines. Remember: It is the THREAT of a fine, not the fine itself, which forces many Landlords to raise rents.*

Reason Three: It seems the City Council could not care less the addition of a simple seventeen word clause brings Chula Vista’s TPO into State compliance without harming tenants.

Realizing there are so few bad actors, as demonstrated in item three above, we have found a way to bring Chula

Vista's "Tenant Protection Ordinance" in compliance with California State mandates without unnecessarily harming renters. (*See italics below*)

The simple task of modifying the verbiage of the TPO in order to reduce a Landlord's need to drastically raise rents can easily be accomplished with an addition of the following clause: "Notice to cure must first be given before an administrative citation or civil penalty may be issued". Upon warning, the vast majority of individuals will gladly come into compliance, while the few unscrupulous Tenants and Landlords will attempt to circumvent the law.

An added bonus of such a notification procedure is that a warning simplifies the process of identifying and levying fines against "Bad Actors".

I believe our city attorney will confirm that it is possible to warn noncompliant individuals and still be in alignment with California's new TPO mandates.

Reason Four: The City Council is probably unaware that City Staff is not required receive Council's direction when modifying The TPO's Administrative Regulations:

City Staff is authorized to change rules at will regarding the enforcement of the "Tenant Protection Ordinance without

consulting The City Council. **Most tenants who voluntarily move away may be unaware they may required to complete forms informing city staff the details of a relocation. See Clause 9.65.060E above. Such an absent of action their part forces landlords to substantially raise rents in preparation of potential \$5,000.00 daily fines to follow.**

Reason Five: City Council has shown a disregard for the welfare of their constituents and appears to have a complete lack of concern that the TPO exasperates our homeless situation.

On many occasions Staff as informed City Council of the precarious financial situation of our rental community (*See City Staff suppled data in italics below*). Over a year ago I warned you the present wording of the “Tenant Protection Ordinance” would require Landlords to drastically raise rents thereby forcing hundreds of people from their homes and out on the streets. We can see a drastic increase in homelessness this year. Although there are many causes for homelessness in our community, most can agree, high rents is a huge contributing factor. I can state unequivocally The Tenant Protection Ordinance is what is forcing this Landlord to raise rents.

City Staff Supplied Data Supporting Conclusions:

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% = 119,268)

6) Approximate Average Monthly Chula Vista Rent:

\$3,047.00 *(See attached CV Staff provided "Relocation Assistance" Pic below - Average of Line 2nd from bottom)*

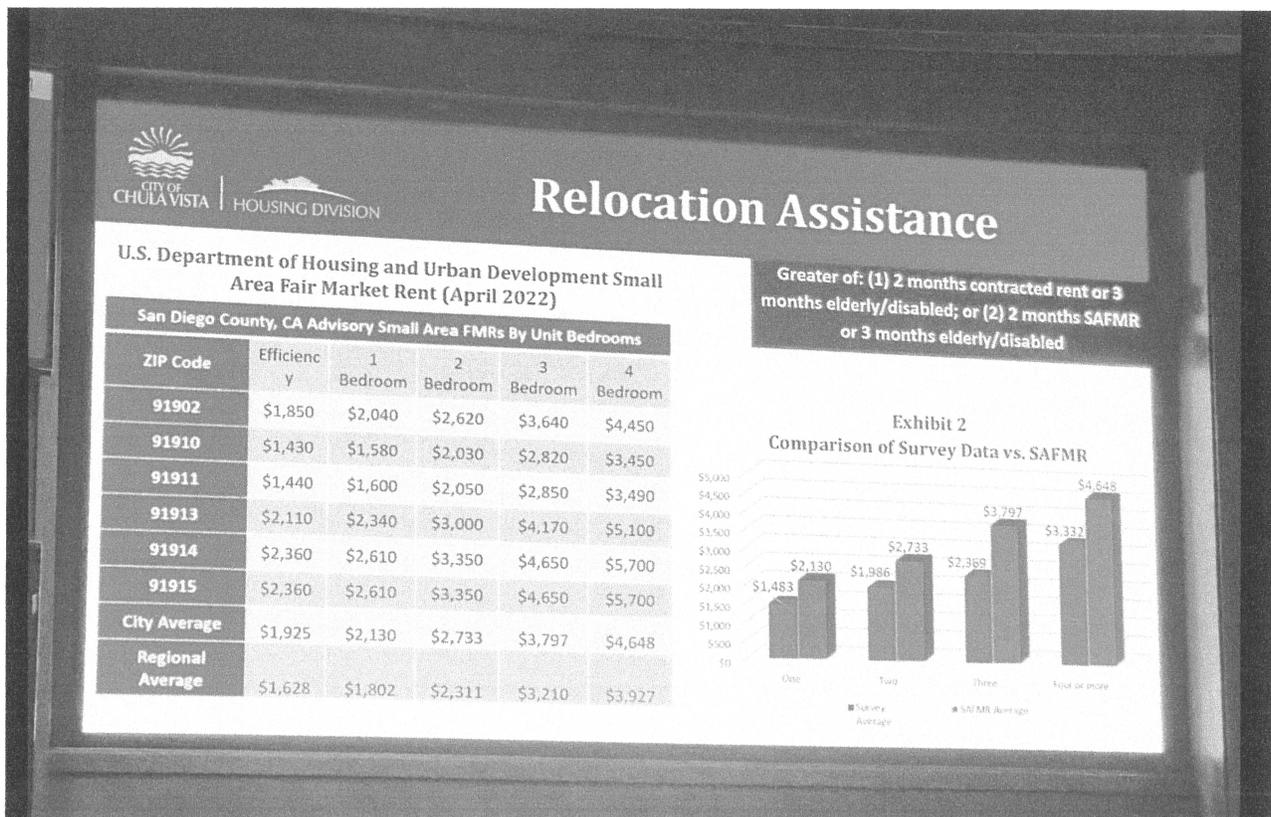
7) With no right to cure, amount of daily fine levied if Landlord or Tenant inadvertently makes a paperwork error when Tenant terminates lease and moves: **\$5,000.00** *(Clauses 9.65.060 E and 9.65.080 C2 of "Residential Landlord and Tenant Ordinance")*

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 impound a 1 day fine: **16.41** (\$5000.00 divided by \$304.70)

10) **\$10,979,255.00**: The approximate total monthly maximum rent increase levied on Chula Vista Renters if Landlords are forced to impound funds to the pay daily fines: (36,033 Rental Units multiplied by the 10% max allowed rent adjustment \$304.70 = \$10,979,255.00)

11) 596 Homeless: Approximate number of Homeless created if one half of one percent of Chula Vista renters are forced out of their homes by the rent increases caused by the Tenant Protection Ordinance: (CV Population 283,972 x 42% = 119,268 x .5% = 596)



Although I feel presenting you with information at future Council meetings would be a complete waste of time, I still possess a small glimmer of hope the conscience of at least one Council Member can be encouraged this evening to care. If just one council member requests staff to confirm the accuracy of their own data, such a confirmation would hopefully stir the conscience of the remaining council to modify the TPO's current verbiage which financially devastates renters and exasperates our community's homeless situation.

Thank You

Joseph A Raso