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Honorable Mayor & City Council

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I am of the naive opinion if the City Council is made aware of a situation which is detrimental to the community, Council Members will doing everything possible to remedy the problem.

First, a few facts on which The City Council, City Staff, everybody attending the Council Meeting and I can all agree.

- 1) Rents in our community are becoming increasing unaffordable for the average tenant.
- 2) Chula Vista's homeless population is at an all time high.
- 3) In the first year enforcement of The "Tenant Protection Ordinance" City Staff has not been able levy a single fine against a Landlord or Tenant for violating provisions of the TPO.
- 4) Despite the seemingly lack of "Bad Actors", City Staff insists on retaining the authority to levy \$2,500.00 to \$5,000.00 daily fines against reputable Landlords and Tenants who make simple clerical errors. (See text of TPO Clauses 9.65.080C2 and 9.65.060E below)
- 5) With City Staff's constant treat of substantial fines for inadvertent errors, prudent Landlords must raise rents in preparation of possible future fines.

This entire situation can be mitigated with the addition of the following Clause to The “Tenant Protection Ordinance”:

“Notice to cure must first be given before an administrative citation or civil penalty may be issued”

The Logic behind such a clause is simple. Obviously, with so few “Bad Actors”, there is no need to threaten hundreds of good intention Landlords and Tenants with massive \$2,500.00 to \$5,000.00 daily fines. Such a threat forces Mom & Pop property owners to take the precaution of raising rents on thousands of hard working Tenants who already are facing a difficult time getting by. Remember... It is not merely the fine which causes a rent increase but also the THREAT of a fine which triggers such an action. It is important to note, NOTHING in state law prohibits issuing a warning of non compliance.

Obviously, upon receiving a warning, the vast majority of good intention individuals would 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”.

Remember, the Purpose of The “Tennant Protection Ordinance” is to protect tenants. It’s purpose is NOT to force an increase in rents caused the City Council’s delay in correcting an obvious flaw in the TPO. Thank You.

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PS: Staff Supplied Supporting Data:

A) Areas where we all can agree:

- 1) Threatening Landlords and Tenants who have made inadvertent mistakes with \$5,000.00 daily fines is causing the most harm to tenants. **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 gets a \$5,000.00 daily fine.**
- 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.

B) 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 a tenant’s part forces landlords to substantially raise rents in preparation of potential \$5,000.00 daily fines to follow.**

C) City Council was warned a year ago the Tenant Protection Ordinance would cause a massive increase in homelessness. 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.

D) Conclusions Drawn From City Staff Supplied Data:

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** ($\$3047.00 \times 10\%$. 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 New 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 $283,972 \times 42\% = 119,268 \times .5\% = 596$)

