

Fwd: Housing Subcommittee Proposals

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From: **Allysson McDonald** <allyssonmcdonald@gmail.com>

Date: Mon, Sep 9, 2019 at 11:21 AM

Subject: Housing Subcommittee Proposals

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Dear Milpitas City Council Members and Mayor;

I've been following the deliberations of the Housing Subcommittee closely. While I am pleased that the Council recognizes that high rents are causing hardships for Milpitanes and have appointed a subcommittee to find some solutions, I have some concerns with its proposals. I hope you will take this analysis into consideration before making decisions.

First, the rental assistance pilot program that will be proposed on Sept. 17, while providing much needed relief for some, will be limited to emergency assistance only and will not provide ongoing relief when rents outpace income. Here are the two sections of the proposal that concern me:

3. Proof of Income Verification of all current income sources: i.e., copies of paystubs, SSI, Disability, unemployment, child support, CalWORKs, CalFresh and/or other income used to pay rent and household expenses. To demonstrate sustainability, provide at least one month's worth of income verification or employment confirmation letter from future employer

4. Household Budget Worksheet • Complete budget worksheet • The budget should demonstrate how the financial hardship resulted in inability to pay housing expenses or provide for the critical family need • The budget should demonstrate that the household can meet regular expenses in future months

It is impossible for the City to sustain ongoing rent relief to everyone whose income does not keep pace with rent increases, and therefore this program, while helping those who are rent burdened to stay afloat in a short term crisis, it doesn't address the underlying issue of the lack of regulation that could provide some stability to renters.

The proposal, also coming to council on September 17, which is meant to address the underlying problem of unsustainable increases, is a rent review ordinance. I have several concerns with that proposal. First, since there is no registry proposed, the burden of reporting increases rests solely on the tenant who may or may not have cultural and language facility, time, and confidence to come forward. If a tenant does

come forward the review will simply make an assessment of whether the increase is fair, and if the board deems that it is not it is then up to the landlord to agree to a lower increase. The landlord is not bound by the decision of the board at all, so while the tenant has to take time and have the courage to come forward they do not see that there is likely any relief. Finally, the protections against retaliation in the proposed ordinance will only protect the tenant for 6 months and if the tenant feels that the landlord is retaliating they will have to take them to court. In other words, all the burden for this process is left to the tenant with no guarantees of success as decisions will be made on a case by case basis.

A better idea is to have a registry where any increases greater than the set amount would trigger an investigation, and if the rent increase cannot be justified the landlord must agree to a lower increase. Both sides could have an appeal process. Such a program would be much more fair. With regard to cost, other cities fund the registry through a small annual fee which can be passed on to tenants. Only by having a registry and enforceable decisions can we achieve stability for our community.

I also want to draw your attention to research recently completed by Working Partnerships USA, which I believe has already been shared (but I'll attach here also). It points out that 93% of the housing stock in Milpitas that could come under regulations (multi-family units built prior to 1995) is owned by people or entities that are outside Milpitas. More than 70% of eligible units are owned by investors with more than 20 units. I urge you all to put Milpitas families first. Protect the small local landlord, but draw the line against gouging by corporate landlords who are squeezing Milpitans to the point where they cannot live here any longer. Take action now to help provide housing security to our working families, the disabled and elderly, and all who belong in our community!

Thank you for all you do! And thank you for your time and attention to this urgent matter. Milpitans need your help.

Yours in Community,
Allysson McDonald