

OFFICIAL MINUTES

SPECIAL MEETING OF THE
CITY COUNCIL
CULVER CITY, CALIFORNIA

September 21, 2020
5:00 p.m.

Call to Order & Roll Call

Mayor Eriksson called the special meeting of the City Council to order at 5:03 p.m. in the Mike Balkman Chambers at City Hall via Virtual Webex.

Present: Göran Eriksson, Mayor
Alex Fisch, Vice Mayor
Daniel Lee, Council Member
Meghan Sahli-Wells, Council Member
Thomas Small, Council Member

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Mayor Eriksson invited public comment.

Jeremy Green, City Clerk, indicated that no public comment had been received for Closed Session items.

MOVED BY COUNCIL MEMBER SAHLI-WELLS, SECONDED BY COUNCIL MEMBER SMALL, AND UNANIMOUSLY CARRIED THAT THE CITY COUNCIL RECESS TO CLOSED SESSION.

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Closed Session

At 5:05 p.m. the City Council adjourned to Closed Session to consider the following items:

CS-1 CC - Conference with Real Property Negotiators
Re: 6030A Bristol Parkway, 3846 Cardiff Ave, and Public Rights-of-Ways Throughout the City

Negotiators: John Nachbar, City Manager; Jesse Mays, Assistant City Manager; Charles Herbertson, Public Works Director/City Engineer; Michele Williams, Chief Information Officer
Other Parties Negotiators: Ting Internet
Under Negotiation: Both Terms and Price
Pursuant To Government Code Section 54956.8

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CS-2 CC - Conference with Labor Negotiators
City Designated Representatives: City Manager John Nachbar; Assistant City Manager Serena Wright
Employee Organization: Culver City Employees Association; Culver City Management Group; Culver City Police Officers Association; Culver City Fire Fighters Association; Culver City Police Management Group; Culver City Fire Management Association; Executive Management Employees
Pursuant to Government Code Section 54957.6

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Regular Session

Mayor Eriksson reconvened the meeting of the City Council at 6:05 p.m. with all Council Members present.

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Pledge of Allegiance

Mayor Eriksson led the Pledge of Allegiance.

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Closed Session Report

Mayor Eriksson indicated nothing to report out of Closed Session.

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Community Announcements by City Council Members/Information Items from Staff

Mayor Eriksson read a statement that he had made over the weekend regarding the passing of Ruth Bader Ginsburg and he indicated

that City flags would remain at half-mast until the funeral for Ruth Bader Ginsburg had passed.

Council Member Small indicated sadness at the loss of Ruth Bader Ginsburg, and congratulated the architecture team responsible for the Robert Frost Auditorium on receiving an award from the California Preservation Foundation.

Council Member Sahli-Wells discussed the legacy of Ruth Bader Ginsburg; asked that the meeting be adjourned in her memory; and announced the annual Education Foundation fundraiser.

Council Member Lee thanked those who attended the General Plan Advisory Committee meeting on September 17; announced his participation in a panel with Grid Alternatives on September 22; reported a Kids Forum on the School Board race on September 26; and he recommended watching the documentary about Ruth Bader Ginsburg, "RBG."

Vice Mayor Fisch expressed support for adjourning the meeting in memory of Ruth Bader Ginsburg.

Jeremy Green, City Clerk, discussed National Voter Registration Day on September 22; encouraged everyone to visit lavote.net to check registration status and accuracy; and she indicated that additional information would be coming forward at future City Council meetings.

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Joint Public Comment - Items Not on the Agenda

Mayor Eriksson invited public comment.

The following members of the public addressed the City Council:

Bitania Beniam expressed opposition to the appointment of Luis Martinez to the Equity and Human Relations Advisory Committee (EHRAC); discussed the death of Lejoy Grissom; and she asked that the City Council remove Mr. Martinez from the Committee.

Kira Grimes expressed opposition to the appointment of Luis Martinez to the EHRAC; discussed the murder of Lejoy Grissom; reasons for establishment of the EHRAC; expressed concern with perpetuating the failed justice system and rewarding Mr.

Martinez; she asked that the City Council rescind the nomination and find a suitable replacement; and she asserted that the appointment process was flawed.

Thanassis Tetradis questioned why the situation had not been addressed as soon as issues with the appointment of Luis Martinez were brought to light, and he expressed hope that the issue could be resolved by September 25, noting the amount of time that had already passed.

Mayor Eriksson asked that all speaker requests be submitted before agenda items begin.

Kelli Estes indicated that she had signed up to speak in advance; she wanted residents to have input at a public hearing about the intersection of Overland and Ranch; expressed concern that the City Council was rushing to action on the proposed rent control ordinance before allowing voters to have a say in the process; discussed costs; asserted that input from landlords had not been considered; and she wanted to see the rent control item tabled until the next City Council could consider it.

Robert Zirgulis, Culver City Council candidate, offered a reward for information leading to the arrest of those stealing lawn signs; he asked his fellow candidates to condemn the theft or mutilation of signs during the campaign; he expressed hope that those responsible would be stopped before the situation escalated; discussed security footage to identify the criminals; theft of Protect Culver City signs; race baiting; defamation; intimidation; First Amendment rights; respect for the opposition; and he asked that laws be enforced.

Isabelle Garcia discussed the murder of Lejoy Grissom; the appointment of Luis Martinez to the EHRAC; and concern with the example being set.

Ana Gonzalez expressed disappointment with the appointment of Luis Martinez to the EHRAC; requested a more equitable Committee; discussed qualified immunity; the failed justice system; the promotion of Luis Martinez; the need for improved training; and she wanted the removal of Mr. Martinez from the EHRAC to be considered at the next City Council meeting.

Kiana Roman was called to speak but did not respond.

Council Member Lee proposed consideration of changing the employee appointment process to the EHRAC to allow for a more

transparent policy, similar to the process for appointing residents, and he expressed support for a different representative as he felt that anyone involved in an officer involved shooting on the EHRAC would be a source of tension.

Discussion ensued between staff and Council Members regarding having the Equity Subcommittee consider the process for selecting a Labor Representative on any Committee with a recommendation brought back to the City Council, and acknowledgement of the rights of Labor to freely associate and choose their representative without the interference of people who are not in their bargaining units.

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Receipt and Filing of Correspondence

Jeremy Green, City Clerk, reported that 51 pages of correspondence had been received.

MOVED BY VICE MAYOR FISCH, SECONDED BY COUNCIL MEMBER SMALL AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL RECEIVE AND FILE CORRESPONDENCE.

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Order of the Agenda

No changes were made.

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Jeremy Green, City Clerk, indicated that Youtube was not working for viewing the meeting, but she noted that the meeting could be viewed on culvercity.org/agendas/ or on cable.

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Consent Calendar Items

Item C-1

CC - Approving and Ratifying the Submission of Grant Applications to Cycle 5 of the Active Transportation Program Funding for the Projects: (1) Overland to Transit Center Bicycle and Pedestrian Connector, and (2) Expo to Downtown Bicycle, Pedestrian, and Transit Corridor

Discussion ensued between Council Members regarding the need for clarification on the process moving forward; emailed concerns; and involvement of the Crest neighborhood.

Charles Herbertson, Public Works Director, provided a summary of the material of record.

Additional discussion ensued between staff and Council Members regarding informal meetings with parents and stakeholders; opportunity for full community input; changes made in deference to the homeowner on the corner; the grant application; and upcoming community consultation throughout the design and implementation process.

Mayor Eriksson invited public comment.

Jeremy Green, City Clerk, indicated that no public comment had been received.

Further discussion ensued between staff and Council Members regarding non-infrastructure components in the grant; a recent grant that was not received due to factors outside of City control; and appreciation to staff for their work.

MOVED BY VICE MAYOR FISCH, SECONDED BY COUNCIL MEMBER SMALL AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL: APPROVE AND RATIFY THE SUBMISSION OF GRANT APPLICATIONS TO CYCLE 5 OF THE ACTIVE TRANSPORTATION PROGRAM FUNDING FOR THE PROJECTS: (1) OVERLAND TO TRANSIT CENTER BICYCLE AND PEDESTRIAN CONNECTOR, AND (2) EXPO TO DOWNTOWN BICYCLE, PEDESTRIAN AND TRANSIT CORRIDOR.

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Action Items

Item A-1

CC - (1) Introduction of an Ordinance Amending Chapter 15.09, Rental Housing, of the Culver City Municipal Code to Add a New Subchapter 15.09.200, et seq., Rent Control; (2) Introduction of an Ordinance Amending Chapter 15.09, Rental Housing, of the Culver City Municipal Code to Add a New Subchapter 15.09.300, et seq., Tenant Protections; (3) Consideration of City's Role, if any, in Ellis Act Procedures for Removal of Rental Units from Rental Housing Use; and (4) Direction to the City Manager as Deemed Appropriate

Jesse Mays, Assistant City Manager, provided a summary of the material of record.

Discussion ensued between staff and Council Members regarding relocation assistance; aligning with Prop 21; the cap for the exemption for developments; Costa Hawkins; single family homes owned by corporate family landlords; relocation during COVID-19; back rent; AB 3088; comments received in correspondence; the cap on annual rent increases; information available online; inflation; and the process to calculate allowable rent increases.

Mayor Eriksson invited public comment.

The following members of the audience addressed the City Council:

Erik Alexander, owner representative for The Meadows, discussed previous communication with the City; efforts to communicate challenges of ownership and the interim rent control ordinance; involvement in the process; the current proposal vs. the interim ordinance; current rental market conditions; expenses; fairness; the BAE Report; necessary maintenance; concern that the ordinance would change the composition of the community; and he asked the City Council to not adopt the ordinance and instead, revisit the item when not in a pandemic state.

Steve Roe discussed the short vesting period for the generous housing protection ordinance; the six month probationary period; conventional lease terms; length of time it takes for rents to rise; recovery time after turnovers; and he asserted that housing providers only evicted tenants if issues arose.

Heather Wollin, City Council candidate, indicated being a renter; spoke against the proposed permanent rent control ordinance; discussed negative effects of the proposed ordinance; AB 1482; felt that the City Council was not listening to residents; and she urged the City not to spend money to duplicate efforts.

Michelle Ford provided background on herself; discussed the impact of rent control on single family homeowners; and a study done in Massachusetts indicating negative effects of rent control.

Katherine Makinney felt that the City Council dictated rather than ran on community consensus; she pointed out that none of the Council Members had run on rent control and didn't want residents to vote on it; discussed duplicating efforts; expending money to administer the program during the current fiscal emergency; the state program; documented consequences of rent control; allowing the citizenry to decide; and she asserted that rent control favored richer people.

Freddy Puza, Protect Culver City Renters (PCCR), urged the City Council to support strong renter protections; discussed the process; fair and equitable housing solutions; renters at risk; the pandemic; AB 1482; the importance of stable housing to create healthy and vibrant cities; decreased crime; loss of students in the Culver City School District (CCUSD) due to affordability issues; the ability of landlords to make a fair and reasonable return and set rents with rent control; and the need to make accommodations to address special challenges faced by "Mom and Pop" landlords.

Dennis Page provided background on himself; discussed City services; the proposed rent control ordinance; concern with a lack of discussion about the matter; the vesting provision; the six-month lease provision; he urged the City Council to reject the ordinance; and he asked that the public be allowed to decide, urging a Yes vote on Measure B.

Amy Ellzey discussed the decision being made by the City Council regarding what is best for Culver City renters; she asked that the City allow residents to make the choice by voting for Measure B on election day; discussed an article in *The Washington Post* indicating that rent control benefits only a few people, and not those who need help; the example of San Francisco; and potential negative effects of rent control.

Clinton Goldsmith asserted that, with the exception of the Mayor, the Council Members were about to make the worst judgement call of their careers; discussed opportunities for communication and amicable solutions; personal political agendas; AB 1482; lack of concessions made; and unification of affordable housing providers against rent control.

Jeff Schwartz, PCCR, provided an overview of the process and thanked staff, elected officials and community members for their participation.

Ron Bassilian discussed the Ellis Act; those speaking in opposition to the proposed rent control ordinance; Measure B; the rebuttal to Measure B; outside influence; concern with a lack of dialogue; addressing the situation of "Mom and Pops"; empty rhetoric; the need for a mandate of the people; the addition of the Transfer Tax on the ballot at the last minute; vacancies and falling rents; statewide renter protections; the ability of the incoming City Council to put rent control on the ballot in a special election; and he asked everyone to vote Yes on Measure B.

Richard Glaser expressed concern with the direction of the City Council with regard to the police and with rent control; discussed the 2% Consumer Price Index (CPI); developers; affordable housing; effects on "Mom and Pops"; Measure B; the example of Santa Monica; the lack of past evidence to support claims of rent gouging; and he asked that the City Council wait for the results of Measure B to move forward.

Paula Amezola, PCCR, provided background on herself; discussed challenges faced by families; results of unstable housing; stress; the Culver City Needs Committee; preserving the fabric of the community; and the number of homeless families, those without enough food, those who have lost employment, and the number of participants in the backpack program.

Margaret Sullivan provided background on herself; discussed increased operating expenses; the regional CPI; costs faced by housing providers; the need for a guaranteed minimum increase plus CPI; addressing the difference between inflation and operating costs; and the actions of Los Angeles county to allow an increase of 3% plus CPI.

Michelle Weiner thanked the City Council and staff for sticking with the process; discussed the amount of public comment submitted and heard on the complex issue; the importance of the

issue to renters in the City; impacts of rent increases; and families forced to leave CCUSD when they have to move out of the City.

Darrel Menthe thanked the City Council and staff for their hard work; expressed support for the renter protection ordinance; discussed the need for renter protections; the long and detailed process to consider rent control; striking a balance; the importance of housing stability during the pandemic; the relationship between market rent and landlord costs; wealth being accrued by landlords with increased property values; market rate and the scarcity of housing; ensuring that people are not displaced by a broken housing market; ensuring a return on investment vs. protecting families; and he expressed support for a No vote on Measure B which he indicated would take away the power of any City Council to adjust any rent control ordinance in the future.

Michael Winn expressed opposition to the proposed rent control ordinance; discussed investments in residential real estate; the need for a guaranteed minimum in addition to CPI; the actions of Los Angeles, LA County, and the state; depreciation due to rent control; reasonable rate of return; and he asked people to vote Yes on Measure B.

Kyle Nelson provided background on himself; thanked the City Council for their efforts; acknowledged that rent control would not solve the housing crisis and that more landlords were needed to accept vouchers for low-income tenants; felt that enacting rent control would ensure that renters are able to stay in the community as it rebounds from the pandemic; and he asked that the ordinance be modified to protect renters against renoventions while providing relocation assistance if required to temporarily relocate, that renters not be held accountable for pass-through fees, and that tenants not be deprived of relocation if they fall behind on their rents due to COVID-19 related hardship.

Kyle Williams indicated that rent control lacking a 3% floor would be a huge blow to owners; discussed market value; concern that owners would be forced to sell to developers; costs; concern with navigating a sea of red tape and ambiguous rules; onerous relocation requirements; ease of qualifying to be low-income; retaining low or affordable housing; he noted that once older housing leaves the City it would not return; and he asked the City Council to reconsider their decision.

Kelli Estes reported being a "Mom and Pop" landlord providing below market rate rents for long-term tenants; indicated that Governor Newsome did not support Prop 21; expressed concern that landlords would be run out of town with a lack of incentive to be involved in housing; asserted that the City Council was not about affordable housing; and she expressed support for Measure B.

Carlene Brown reported attending the United Nations International Day of Peace online; discussed four fundamental values: life, freedom, community and imagination; she commented on the unprecedented times and the need for unprecedented action; and she expressed support for statements made by Paula Amezola who discussed preserving the fabric of the community by focusing on children.

Fred Sutton, California Apartment Association, felt that the City Council believed they were enacting the right policy; discussed loss of units in Santa Monica since enacting rent control; the loss of affordable housing; he submitted technical amendments for consideration including a change in the Civil Remedy section, the Notice of Applicability, the "for cause" Terminations, and adding a section to address tenants who fail to move out after receiving notice; asserted that the rehabilitation section was onerous; and he asked the City Council to read the letter submitted.

Leah Pressman discussed the UCLA Ruskin Center Report concluding that Culver City has been made inaccessible to new renters and onerous for current renters; the need for renter protections to avoid rent burden for the majority of the City; expressed appreciation to the City Council for their work; she asserted that rent control worked to protect renters; discussed stable rents and stable mortgage payments; renovations; passthrough costs; defining small landlords similarly to AB 1482; limiting when vacant units can be raised to market rates; and focusing on the most vulnerable in the community during the crafting of the ordinance.

Noah Zatz, PCCR and Culver City Action Network (CCAN), discussed the number of meetings with public comment on the topic; staff meetings with well-organized landlord groups; objections to the process; entitlement; political power; economic power; windfall profits; older buildings who have been paid off; capital costs; setting rents at vacancy; landlords taking a free-ride on a rising housing market; raising rents on existing tenants; homeowners protected by Prop 13 against rising property taxes

while building equity as housing prices rise; keeping renters vulnerable in order to benefit homeowners; support for the safety and security of neighbors; maintaining diversity in the City; and he asked the City Council to pass the rent control ordinance.

Danielle Leidner-Peretz, the Apartment Association of Greater Los Angeles (AAGLA), discussed continued opposition to the ordinance by AAGLA; the inability of the ordinance to address affordable housing supply; the resulting decrease in rental housing stock; diversity in landlords; the importance of valuing the contributions of all residents; and she urged the City Council to consider all issues raised by Culver City small rental housing providers and include important revisions such as a guaranteed minimum rent increase, one year vesting period, and maintenance of relocation fee deductions.

Mark Minch-de Leon provided background on himself; discussed the ongoing threat of eviction; protection from the City ordinance; attempts by landlords to circumvent the interim tenant protections enacted by the City; disproportionate impacts of the rental market on vulnerable populations; the unequal position between landlords and renters; revisions drafted by PCCR that would strengthen the protections and close loopholes that can be exploited by unscrupulous landlords; preventing renovictions; stopping potential vacancy decontrol; providing adequate relocation assistance for all tenants forced out by "no fault" evictions; preventing extra rent hikes during transition from the interim to the permanent ordinance; narrowing Costa Hawkins rent control exemptions; and he urged the City Council to adopt all the proposed revisions.

Adham Refaat expressed disappointment in the direction taken by the City Council; felt that the actions being taken were not progressive; expressed concern that senior citizens would have to sell and move out; felt that everyone was being painted with a broad brush; and he indicated his voting preferences for the future.

Mark Lipman discussed finalizing the details around rent control; the Rent Registry; inclusion of new construction; true vacancy rates; the effects of overpricing of units on the housing market; support for implementation of the Landlord Incentive Program; the Rental Assistance Program; solving the homeless emergency; the feeling that housing does not have to be about sides; programs being designed to help the entire

community; and he urged the City to implement a rental registry for all units in the City.

Cary Anderson asserted that people did not approve of what the City Council was doing; discussed the experiences of small landlords; the Rent Registry; increased costs; and he expressed support for Measure B and opposition to Measure RE.

Hilary Graham expressed support for renter protections; discussed gentrification; the burden of renovations; carrying burdens for the economically insecure; and she felt that renters should be protected.

Debi Lee provided background on herself; expressed opposition to the proposed permanent rent control ordinance; felt the decision had already been made; discussed AB 1482; the CPI index; actual costs; and she felt that rent control would reduce the availability of affordable housing.

Keith Jones, Protect Culver City (PCC), provided background on himself; asserted that he was not an outsider; discussed people who lived outside the City and were paid to speak in support of rent control; costs to administer rent control; current market conditions; issues to consider if the ordinance is implemented; landlords who will not do proper maintenance under rent control; and he encouraged everyone to vote Yes on Measure B.

Annette Tossounian provided background on herself; discussed developers; properties torn down to take advantage of exclusions for rent control; readjusted rules to help restaurants; and she requested that "Mom and Pop" landlords be afforded support to be able to stay in business too.

Marina Tidwell provided background on herself; discussed input from landlords; expressed gratitude for the interim rent control measures; and she asked that the permanent rent control measure be adopted to retain diversity in the City.

Ronald Ostrin asserted that it was clear that the City Council had made up their mind about enacting permanent rent control; discussed landlords who would go out of business; passage of the most aggressive rent control in the region; entitlement of property owners to just compensation; liability; inverse condemnation; risks of lawsuits; and the inapplicability of the CPI being used.

Daniel Young, PCCR, provided background on himself; thanked the City Council for their leadership in the midst of loud opposition by monied interests; discussed the difficulty and risk of speaking up for tenants; the imbalance in the relationship between landlords and tenants; public input regarding Measure B; correcting the imbalance; he hoped the City Council would vote for permanent protections; and he encouraged everyone to vote No on Measure B.

Yasmine-Imani McMorris provided background on herself; expressed support for a permanent rent control ordinance; discussed the inherent power imbalance between housing providers and tenants; impacted sectors of the community; appreciation to staff for their outreach efforts; the need for housing production, preservation and protection; evaluating equitable renter protections; the importance of voting No on Measure B; and she thanked Council Members, expressing hope that they would vote for permanent rent control.

Discussion ensued between staff and Council Members regarding retaliation against renters who previously spoke in support of rental protections; outreach; meetings; public input; different perspectives; work done by staff; divisiveness of the issue; history of the City; lack of support for renters in the past; heartbreaking stories of tenants facing eviction; price gouging; annual rent increases that exceeded household incomes; the BAE Report; the percentage of rent burdened renters; protecting nearly half of Culver City residents with rent control; failure of the status quo; responsiveness of the City Council to the most vulnerable rather than to those who own the most; those afraid to speak out; long-term residents forced out of the City; the acknowledgement of differences in cities in AB 1482 and allowances for cities to create their own regulations; crafting of the ordinance with Culver City in mind; consideration of the letters from the California Apartment Association (CAA) and from PCCR; guidelines for allowable increases; change in annual average CPI; worksheets to help calculate increases; "just cause"; the required tenant signature on notices given to tenants in existing tenancy; logistics; implementation of changes to ensure consistency with state law regarding three-day notice; the Notice to Cure; local requirements; particular findings specific to Culver City; reasonable findings to support a 10-day cure period; defining "unsanitary conditions"; defining "temporary" with respect to renovation; concern with leaving the time period open ended; enforcement; renovations that extend beyond the agreed upon period; mitigations; notification; voluntary buy-out; 24-hour notice; mitigating untenable

conditions when the tenant is in the unit; "no fault" eviction for renovation or rehabilitation; compliance with government orders; addressing a violation and/or natural disaster; decision points; the interim ordinance; vacancy control; capital improvement passthroughs; eligibility for emergency breakages and end-of-life replacements; cost of doing business vs. exceptions; maximum aggregate passthrough to tenants; cases where the tenant chooses to leave due to an extended relocation during renovation; undue burden; Costa Hawkins; voluntary vacation by tenant; potential for misuse; eviction during the vesting period; evicting a resident manager based on the termination of employment; unlawful termination of employment; other remedies; length of time for vacancy decontrol; issues with family members being moved in; support for changing the length of time from twelve months to three years; whether evicted tenants should not lose protections and relocation assistance due to falling behind with rent as a result of COVID-19; state vs. local ordinances; landlords who charge below market rents; exemptions for smaller property owners; defining small landlords; Junior Accessory Dwelling Units (JADUs); Accessory Dwelling Units (ADUs); preventing extra rent hikes between the existing and the permanent ordinance; intent of the provision; clarifying language for the transition from the interim to permanent ordinance; single family homes owned by corporations; Prop 21; and ensuring that new construction exemptions from rent control expire after 15 years.

Additional discussion ensued between staff and Council Members regarding appreciation to staff for incorporating input; comments regarding the lack of landlord input; the first round of outreach; focus groups focused on landlords; the importance of soliciting a variety of renter input; a suggestion to those who came to speak against rent control to reference public comment from previous meetings before making additional public comment; effective commenting; those who used Santa Monica as a model against rent control; the fact that Culver City has been the only city in the area without provisions for renters; reasons for not protecting renters; the need to address housing; attempts to paint Council Members who support rent control as seeing it as the answer to the housing crisis; rent control as an anti-displacement policy designed to help long-term renters stay in the community; the survey of public land to identify places to build housing; the General Plan process; facilitating construction of ADUs; policy ideas to address the complex nature of the housing crisis; requiring all units to be part of the Rental Registry; the actions of other area cities; defining temporary as until renovations are complete; concern with using

an arbitrary designation; explicit messaging on the aggregate cap on passthroughs; vacancy decontrol; vacancies arising within three years of owner/relative movement; provisions to address repeated use of the relative justification; "no fault" evictions; the potential financial burden for market rate relocation assistance; broadening the market with the 15 year expiration date; concern with inadvertently targeting "Mom and Pop" landlords; the lack of hardship petitions from landlords during the interim period; fluctuations in the economy; work to apply the rent control ordinance to as many properties as possible; and the financialization of rental housing.

Council Member Lee stated that he had advocated for rent control and renter protections during his campaign for City Council and had promptly received a rent increase from his landlord.

Council Member Small confirmed that Council Member Lee had been an outspoken advocate of rent control for a number of years and ran on that issue in the 2016 election.

Further discussion ensued between staff and Council Members regarding the process; the depth and perspective of Council Member comments; the practice of disadvantaging the people with less means in favor of those who have more; racism; the feeling that the proposed actions were not radical for the region; the process; examples of rent control in other jurisdictions; pressure to move forward quickly; the complexity of the issue; the housing shortage; people who consider themselves "Mom and Pop" providers; protecting affordable housing stock; concerns raised about proposed changes; the difficulty of making a definition that works for everyone; creating a single appeals process that allows for evaluation of landlord objections; the Interim Rent Control Ordinance (IRCO); people who think they may be an exception; the ability to make a fair and reasonable return; the vesting period; the CPI; rising costs of operating rental units; and establishing majority opinion.

Additional discussion ensued between staff and Council Members regarding people who feel vilified; re-ordering expectations; addressing generalized situations; consideration of diverse opinions; stabilizing effects; the Massachusetts Institute of Technology (MIT) study; those failed by the market; subsidies for those who need them; interference in the housing market; real estate speculation; changes to property values with rent control; listening to the community; unintended consequences; naturally occurring affordable housing; making adjustments moving forward; effects of COVID-19 on the choice; presenting

voters with a concrete choice in November; the referendum on the ballot; value to acknowledging that the process is not complete; support for a one year vesting period with vacancy decontrol and a "no fault" eviction at the end of one year; balancing everyone's interests; tenant organizers; taking a chance on potentially problematic tenants; revisiting issues after the decision is made on Prop 21; addressing concerns of The Meadows; major renovations; making allowances; attorney fees; keeping the process simple; concern that regular maintenance is being included in passthroughs; acts of nature and surprises; striking a balance; unexpected costs; planning for the future; the need for small rent increases; and the Landlord Inflation Index from the New York Rent Board.

Additional discussion ensued between staff and Council Members regarding protection offered by the state law; AB 1482; concern that changes being discussed would force smaller property owners to sell; the proposed ordinance as the most extreme tenant and renter protection in the area; the inability for landlords to maintain the buildings and make a good return; tying increases to the CPI; rising costs for building materials and for City services; reconsidering the CPI and putting in a reasonable floor; vesting; addressing issues as part of a larger region; the challenge of meeting affordable housing numbers; concern with locking up a unit for three years if the property owner wants to put a relative in; current conditions; state law that addresses issues for now; and putting the issue on the back burner until COVID-19 is over.

Heather Baker, Assistant City Attorney, discussed the process; introducing the ordinance; and she summarized requests from the California Apartment Association (CAA) for changes to the ordinance that had received City Council support to incorporate into the ordinance, including agreement to make the change to "for cause" terminations to three days' notice served on the tenant, not received, to be consistent with state law, and support for the request from CAA to define unsanitary within dangerous or unsanitary conditions, as "endangering the health, safety and welfare, or physical damages to the unit beyond normal wear and tear."

Council Member Lee voiced concern with subjectivity coming into play regarding dangerous and unsanitary conditions.

Heather Baker, Assistant City Attorney, discussed allowing "no fault" evictions for government ordered vacancies.

Further discussion ensued between staff and Council Members regarding support for acts of nature as a reasonable exception; concern with abuse; available services with a natural disaster; ensuring that people are protected from the exemption in the guidelines; state and federal resources; qualifying for a "no fault" eviction; government ordered vacancies as an exemption from paying relocation fees; exceptions to the "no fault" provision; insurance; FEMA allotted assistance; concern with the period of time between natural disasters and when people receive aid; renters insurance; and City Council agreed to incorporate that provision into the ordinance, which would match that which was included in the IRCO.

Heather Baker, Assistant City Attorney, discussed PCCR requests; untenable conditions; The Meadows renovation; buy-out agreements; and defining temporary.

Additional discussion ensued between staff and Council Members regarding provisions where the landlord offers the tenant residency in a different unit during renovation; providing comparable housing; actions of other cities; offering options for significant delays in construction; the Los Angeles model; providing flexibility to address the realities of construction; administration of the tenant habitability plan; tenants who choose relocation; and the buy-out plan; and City Council agreed to incorporate changes into the ordinance to provide the same flexibility as the City of Los Angeles.

Heather Baker, Assistant City Attorney, discussed notification requirements, and passthrough of capital improvements.

Discussion ensued between staff and Council Members regarding categories of allowable passthroughs; acknowledging what is in the tenant's control and what is in the landlord's control; regular maintenance; clarifying specific improvements; regular costs of doing business; relationships; strict responsibility; the ability of the landlord to ensure items; and aggregate passthroughs; and City Council agreed to incorporate changes into the ordinance to clarify that maintenance and replacements were not eligible capital improvement pass-throughs.

Heather Baker, Assistant City Attorney, discussed vacancy decontrol; the ability of the landlord to set initial rents without restriction on vacancies when the tenant is choosing to terminate due to a temporary relocation; vesting period; and eviction of resident managers; and City Council agreed to incorporate changes into the ordinance to prevent vacancy

decontrol where tenant voluntarily vacates due to temporary relocation.

Discussion ensued between staff and Council Members regarding eviction protections during the vesting period; preventing the motivation to churn in order to raise rents; maintaining consistency; looking out for landlords to have consistent tenants while protecting renters from being displaced so landlords can charge significantly higher rents; agreement to increase the vesting period to twelve months and prohibit vacancy decontrol for evictions occurring during the vesting period; vacancies by tenant as a result of temporary relocation; eviction of resident managers based on termination of employment; making an exception for a "for cause" termination; concern with introducing a contradiction; the risk benefit analysis; real life conditions and the need to change things in the future; the ability to adjust on a going forward basis; distinguishing between "Mom and Pop" landlords on vacancy decontrol; motives no matter what the size of the landlord; and staying within the spirit of "just cause" and "for cause" evictions; and City Council agreed to incorporate changes into the ordinance to change the vesting period from six months to 12 months.

Further discussion ensued between staff and Council Members regarding no vacancy decontrol for landlord harassment; twelve months vs. three years for vacancy decontrol for recovered units; relative occupancy; allowing the landlord to petition for relief; enforcement; concern with unnecessary and unfounded evictions; agreement to retain a three year period; consistency with the tenant protection ordinance; and other jurisdictions with a longer period of time for the "no fault" eviction provision; and City Council agreed to incorporate changes into the ordinance to change the residency requirement for recovered units from 12 months to three years in order for vacancy decontrol to apply.

Heather Baker, Assistant City Manager, discussed City Council consensus regarding back rents and relocation assistance; the relocation assistance formula; City Council support for using market rent to calculate relocation assistance; and the definition of small landlord; and City Council agreed to incorporate changes into the ordinance to exclude back rent that accrued during eviction moratorium period from allowable deductions from relocation assistance, and to require the formula for calculating relocation assistance to be based on market rent instead of current rent.

Discussion ensued between staff and Council Members regarding concern with harming the person with less means; using the Glendale model; whether to classify small landlords as three units or less or four units or less; the ability to appeal; the ability to make a fair and reasonable return; distribution of risk; changing expectations; the need for more information to determine what works; whether choosing four units rather than three units hurts tenants; relocation fees for residents being evicted; the multiplier effect; the state definition of small landlords in AB 1482; ADU and JADUs as fitting into the category; planning ahead to evict someone and putting aside relocation fees; clarification that landlords are not being punished, tenants are being protected; the fact that Culver City has never had any rental protections; taking the middle ground with state protections; and the feeling that three units is a compromise.

Heather Baker, Assistant City Attorney, discussed clarifying language with regard to the transition of rent increases between the IRCO and the permanent rent control ordinance so the total sum does not exceed what would be allowed under the permanent ordinance; addressing Prop 21 if it passes and adding similar language to indicate that single family homes owned by corporations are not exempt from rent control; limiting single family homes to non-corporate owners; and guaranteed minimum for permissible rent increases; and City Council agreed to incorporate changes into the ordinance to clarify how rent increases are handled during the transition from the IRCO to the permanent ordinance, and to add clarifying language that exemptions from rent control will be consistent with state law if Prop 21 passes.

Discussion ensued between staff and Council Members regarding consensus that the new construction exemption expire after 15 years and the single family home exemption from rent control only applies to non-corporate owners; using a floor for rent increases; modified CPI; examples from other cities; and concern that the terms "minimum" and "maximum" lead people to believe that increases are required.

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Recess/Reconvene

Mayor Eriksson called a brief recess from 12:02 a.m. to 12:08 a.m.

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Item A-1
(Continued)

CC - (1) Introduction of an Ordinance Amending Chapter 15.09, Rental Housing, of the Culver City Municipal Code to Add a New Subchapter 15.09.200, et seq., Rent Control; (2) Introduction of an Ordinance Amending Chapter 15.09, Rental Housing, of the Culver City Municipal Code to Add a New Subchapter 15.09.300, et seq., Tenant Protections; (3) Consideration of City's Role, if any, in Ellis Act Procedures for Removal of Rental Units from Rental Housing Use; and (4) Direction to the City Manager as Deemed Appropriate

Discussion ensued between staff and Council Members regarding clarification that once the ordinance is introduced, substantive changes cannot be made without a re-introduction; changes after the ordinance is finalized; making improvements based on real-life examples; City Council consensus to consider four units or less to be small landlords; addressing the fact that the cost of maintaining the building can increase more than the CPI; raising the floor and lowering the ceiling; the IRCO; the recommendation from BAE; having the CPI max out at 5%; support for a floor of 3 and a ceiling of 5; having a similar floor as surrounding jurisdictions; the need for landlords to have enough money to maintain buildings properly; concern with losing affordable units; the fact that Culver City has never had rent control and there are no guaranteed salary bumps; those on a fixed income; finding the right balance between tenants and landlords; rent control in surrounding areas; Culver City rents vs. rents in surrounding areas; outliers; averages; and City Council agreed to incorporate changes into the ordinance to adopt a 2% floor, 5% ceiling and defining small landlords as 3 or less units; and deferring consideration of The Ellis Act.

MOVED BY COUNCIL MEMBER SMALL AND SECONDED BY COUNCIL MEMBER LEE THAT THE CITY COUNCIL INTRODUCE AN ORDINANCE AMENDING CHAPTER 15.09, RENTAL HOUSING, OF THE CULVER CITY MUNICIPAL CODE TO ADD A NEW SUBCHAPTER 15.09.200, ET SEQ., RENT CONTROL, INCORPORATING CHANGES IDENTIFIED, DESCRIBED, DISCUSSED AND AGREED UPON DURING THE MEETING.

THE MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: FISCH, LEE, SAHLI-WELLS, SMALL
NOES: ERIKSSON

MOVED BY COUNCIL MEMBER LEE AND SECONDED BY COUNCIL MEMBER SMALL, AND UNANIMOUSLY CARRIED, THAT THE CITY COUNCIL INTRODUCE AN ORDINANCE AMENDING CHAPTER 15.09, RENTAL HOUSING, OF THE CULVER CITY MUNICIPAL CODE TO ADD A NEW SUBCHAPTER 15.09.300, ET SEQ., TENANT PROTECTIONS, INCORPORATING CHANGES IDENTIFIED, DESCRIBED, DISCUSSED AND AGREED UPON DURING THE MEETING.

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Public Comment - Items Not on the Agenda

Mayor Eriksson invited public comment.

Jeremy Green, City Clerk, indicated that no additional public comment had been received.

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Items from Council Members

None.

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Council Member Requests to Agendize Future Items

None.

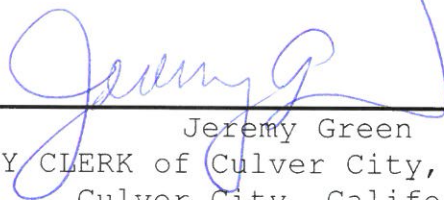
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MOVED BY COUNCIL MEMBER SAHLI-WELLS, SECONDED BY VICE MAYOR FISCH AND UNANIMOUSLY CARRIED, THAT THE MEETING BE ADJOURNED IN MEMORY OF RUTH BADER GINSBURG.

Adjournment

There being no further business, at 1:00 a.m. September 22, 2020, the City Council adjourned in memory of Ruth Bader Ginsburg to a special meeting on September 29, 2020 at 7:00 p.m.

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Jeremy Green
CITY CLERK of Culver City, California
Culver City, California



GÖRAN ERIKSSON
MAYOR of Culver City, California

Date: 12 October 2020