PROPOSED AGENDA

1. Welcome & Introductions 4:00 - 4:05 PM
2. Proposed Community Engagement Strategy 4:05 - 4:15 PM
3. Discussion of Key Policy Questions 4:15 - 5:25 PM
4. Closing & Next Steps 5:25 - 5:30 PM
PROPOSED COMMUNITY ENGAGEMENT STRATEGY

- **Format:** Four additional listening sessions, focused on particular stakeholder groups
- **Language Accessibility:** Interpretation services, closed captioning, and translated materials will be provided in Spanish, Mandarin and Cantonese (additional languages available upon request with minimum 7 days advance notice)
- **Outreach:** Outreach will be conducted in partnership with community organizations and through the City’s Neighborhood Liaisons, Mayor’s Office of Immigrant Advancement, email lists, and social media accounts

<table>
<thead>
<tr>
<th>Virtual Meeting</th>
<th>Proposed Date &amp; Time</th>
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<tbody>
<tr>
<td>Listening Session (Tenant-Focused)</td>
<td>Saturday, June 25, 2022, 10:00 – 11:30 AM</td>
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<tr>
<td>Listening Session (Property Owner-Focused)</td>
<td>Thursday, July 21, 2022, 6:00 – 7:30 PM</td>
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<tr>
<td>Listening Session (Labor-Focused)</td>
<td>Tuesday, July 26, 2022 (daytime)</td>
</tr>
<tr>
<td>Listening Session (Tenant-Focused)</td>
<td>Wednesday, July 27, 2022, 6:00 – 7:30 PM</td>
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</table>
# PROPOSED COMMITTEE MEETING STRUCTURE

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Objectives</th>
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| May 25, 2022       | - Receive proposed community engagement and outreach plan  
                      - Discuss first three Pillars (*from the University of Minneapolis Rent Stabilization Study* (2021))  
                        a. Rent increase cap  
                        b. Exceptions to the cap  
                        c. Vacancy decontrol  |
| June 29, 2022      | - Discuss remaining two Pillars (*from the University of Minneapolis Rent Stabilization Study* (2021))  
                        a. Applicability and exemptions  
                        b. Compliance and education  
                        - Discuss companion policies to support rent stabilization  |
| September 28, 2022 | - Review and discuss draft legislation                                                                                                                                                                    |
PILLAR 1: CHOICE OF RENT CAP
## PILLAR 1: CHOICE OF RENT CAP

**Key Policy Question:** How should rent increases be capped?

<table>
<thead>
<tr>
<th>Method</th>
<th>Example (Jurisdiction)</th>
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<tbody>
<tr>
<td>Fixed percentage</td>
<td>3% (Saint Paul, MN)</td>
</tr>
<tr>
<td>CPI, plus a fixed percentage</td>
<td>CPI for Western Region + 7% (Oregon)</td>
</tr>
<tr>
<td>Consumer Price Index (CPI), plus a fixed percentage, with an upper limit</td>
<td>Consumer Price Index (CPI) for the Metro Area + 5%, up to 10% (California)</td>
</tr>
<tr>
<td>Consumer Price Index (CPI), plus a fixed percentage, with an upper limit and other rate for certain groups</td>
<td>CPI for the Metro Area + 2%, up to 10% Elderly or people with disabilities - the lesser of the Consumer Price Index or Social Security COLA, not exceeding 5% (Washington, DC)</td>
</tr>
<tr>
<td>Percentage of the CPI</td>
<td>60% of the CPI for the Bay Area (San Francisco, CA)</td>
</tr>
<tr>
<td>Various data</td>
<td>Set by the Rent Guidelines Board based on annual data on taxes, utility rates, cost of living, and other factors (New York, NY)</td>
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</tbody>
</table>
PILLAR 1: CHOICE OF RENT CAP

Key Policy Question: How should rent increases be capped?

Rent Change for Existing Stock at the Rate of CPI (All Items)

Housing built before 2011 only

Sources: Advertised Rents (Rental Beast and MLS); Gross Rents (American Community Survey 1-Year Estimates, PUMS); CPI (US Bureau of Labor Statistics, Boston-Cambridge-Newton metro area). All years are normalized to 2014 median rent prices.
COMMITTEE DISCUSSION

Pillar 1: Choice of Rent Cap
PILLAR 2: EXCEPTIONS TO THE RENT CAP
PILLAR 2: EXCEPTIONS TO THE RENT CAP

Key Policy Questions:

What types of expenses should be able to be passed through to tenants as exceptions to the rent increase cap?

Should a policy allow landlords to “bank” rent increases if they choose not to apply them in a given year?

Common Pass-Through Costs:

- Application of “banked” rent increases (if owners elect to defer annual increases)
- Capital improvements
- Substantial rehabilitation of the property
- Changes in space or services provided
- Changes in the number of tenants
COMMITTEE DISCUSSION

Pillar 2: Exceptions to the Cap
PILLAR 3: VACANCY DECONTROL
PILLAR 3: VACANCY DECONTROL

Key Policy Question:
Should the base rent level reset to market rate (or some other amount) when there is a change in tenancy?

Considerations:

- Vacancy decontrol is a common feature of rent stabilization policies
- Unrestricted vacancy decontrol provisions limit a policy’s ability to stabilize the rental housing market and instead provides stability to current tenants
- Different models of vacancy decontrol exist:
  - Full vacancy decontrol: Unrestricted rent increases upon vacancy (e.g. California)
    - New “base rent” rate is subject to annual rent increase caps
  - Limited vacancy decontrol: 10% - 20% rent increases upon vacancy based on the length of time the tenant resided in the unit (e.g. Washington, D.C.)
COMMITTEE DISCUSSION

Pillar 3: Vacancy Decontrol
JUNE 25, 2022
Listening Session #2 (Tenant-Focused)

JUNE 29, 2022
Advisory Committee Meeting #4

JULY 2022
Listening Session #3 (Property Owner-Focused)
Listening Session #4 (Labor-Focused)
Listening Session #5 (Tenant-Focused)

SEPTEMBER 28, 2022
Advisory Committee Meeting #5