TO:      HONORABLE CITY COUNCIL
FROM:    CITY MANAGER               DEPARTMENT: COMMUNITY SERVICES
DATE:    OCTOBER 6, 2008    CMR: 380:08

REPORT TYPE: PUBLIC HEARING

SUBJECT:    ADOPTION OF ORDINANCE AMENDING SECTION 9.72.070 OF
CHAPTER 9.72 [MANDATORY RESPONSE TO REQUEST FOR
DISCUSSION OF DISPUTES BETWEEN LANDLORD AND TENANTS]
OF TITLE 9 OF THE PALO ALTO MUNICIPAL CODE TO VOID RENT
INCREASES GIVEN WITHOUT NOTICE OF THE RIGHT TO
MEDIATION

RECOMMENDATION
Staff recommends that City Council adopt the attached ordinance amending Section 9.72.070 of
Palo Alto Municipal Code (PAMC) chapter 9.72 (Mandatory Response to Request for
Discussion of Disputes between Landlords and Tenants) to void increases in rents when a rental
agreement, lease or other written document that changes the term of tenancy for a residential
rental property is not accompanied by the notice required by section 9.72.070 of a tenant’s rights
to mediation services.

BACKGROUND AND COMMITTEE REVIEW AND RECOMMENDATIONS
The Policy and Services Committee concurred with the Human Relations Commission’s (HRC)
recommendation and voted unanimously at its July 8, 2008 meeting to recommend that the City
Council amend Chapter 9.72 of the Municipal Code to add language to Section 9.72.070 to void
increases in rents when a rental agreement, lease, or other written document that changes the
term of tenancy for a residential rental property is not accompanied by the notice required of
tenant’s rights to mediation services.

The HRC recommended the amendments to PAMC Sections 9.72.070 at its April 10, 2008
meeting after receiving testimony from Mr. Martin Eichner, Director of Dispute Resolutions for
Project Sentinel, the City of Palo Alto’s Facilitation Administrator. He stated that although the
Mandatory Response Ordinance continues to receive excellent satisfaction ratings from both
tenants and landlords who participated in the sessions, he has concluded the program has been
underutilized in Palo Alto, with only 30 cases in 2005, 29 cases in 2006 and 27 cases in 2007.
Additional comparison data to other cities is in the attached City Manager’s Report: 297:08.

In addition, the HRC supported a recommendation to amend the ordinance with a
communication plan for conveying the requirements of the ordinance to landlords that had the
following elements:
Communication using e-mail, website, or other means targeting all landlords encouraging them to register and educating them about the ordinance;
- Similar notification about the ordinance targeting landlords already registered;
- A 90 day grace period for all landlords to register and comply with the ordinance.

Upon adoption of the amended ordinance, staff will develop a communication plan in accordance with the HRC’s recommendation and present the draft plan to the HRC for review.

ENVIRONMENTAL REVIEW

Approval of this amendment to PAMC section 9.72.070 does not require review under the California Environmental Quality Act (CEQA) because it does not meet the definition of “project” pursuant to California Public Resources Code Section 21065.

ATTACHMENTS

Attachment A: CMR 297:08 Human Relations Commission Recommendation to amend Palo Alto Municipal Code chapter 9.72 (Mandatory Response to Requests for Discussion of Disputes between Landlords and Tenants) to void rent increases given without required notice of the tenant’s rights to mediation

Attachment B: Ordinance Amending Section 9.72.070 Of Chapter 9.72 [Mandatory Response To Request For Discussion Of Disputes Between Landlord And Tenants ] Of Title 9 Of The Palo Alto Municipal Code To Void Rent Increases Given Without Notice Of The Right To Mediation

Attachment C: Minutes to the April 10, 2008 Human Relations Commission meeting

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Division Manager, Cubberley Center and Human Services

DEPARTMENT APPROVAL: GREG BETTS
Interim- Director of Community Services

CITY MANAGER APPROVAL: JAMES KEENE
City Manager