City and County of San Francisco

Residential Rent Stabilization and Arbitration Board



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CATHY MOSBRUCKER
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MINUTES OF THE REGULAR MEETING OF THE SAN FRANCISCO RESIDENTIAL RENT STABILIZATION & ARBITRATION BOARD

Tuesday, August 12, 2025 at 6:00 p.m. 25 Van Ness Avenue, Room 610 San Francisco, CA 94102

I. Call to Order

President Gruber called the meeting to order at 6:02 p.m.

II. Reading of Ramaytush Ohlone Land Acknowledgment

President Gruber read the Ramaytush Ohlone Land Acknowledgement.

III. Roll Call

Commissioners Present: Crow; Gruber; Hung; Haley; Klein; Mosbrucker; Qian;

Tom; Wasserman.

Staff Present: Koomas; Strobel; Texidor; Van Spronsen; Varner.

IV. Remarks from the Public

A. Dru Parker, trustee for the owner at 542 Presidio Avenue (AT250026), said that the Administrative Law Judge (ALJ) determined that the video evidence she gathered was limited and insufficient. She said that the property manager installed the Wi-Fi enabled security camera above the front porch on September 21, 2024, and although there were some technical glitches because the router was located in the basement, they did obtain several videos of the tenant going into the unit during work hours. The landlord said that they also have videos of different people coming and going from the

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unit at all hours using a lockbox key. She said that on October 4, 2024, the tenant requested that the owner remove the camera, which the owner did not do. She said that on October 8, 2024, the camera had been covered with a plastic bag, and that after installing a Ring doorbell camera, she saw the tenant covering the lens with a piece of paper. She said that when she removed the paper, the tenant again covered the lens back up again on several occasions. She said that since she could not stand on the front porch 24/7 to ensure the two cameras were left alone, there was no realistic way to obtain the video evidence the ALJ asked for short of paying thousands of dollars to a private investigator to stake out the building. The landlord said that the tenant is covering up the cameras because he does not live there, nor is it his usual place of return. She said that the tenant lives with his wife in a \$2 million house on 23rd Avenue that they own together and where they raise their son. She said that the tenant also owns a \$1 million dollar Lakeview condominium in Chicago and that he testified repeatedly that he uses the subject unit as a place of business. She said that it is not the responsibility of the landlord to subsidize his business, nor is this the intent of rent control. She said that the owner was a plumber, and neither he nor his three children are wealthy, with one son still homeless. She said that the tenant and his wife, a world-renowned epidemiologist and Editor-in-Chief of the Journal of the American Medical Association, are wealthy. She said that the tenant is taking advantage of rent control and removing a sorely needed residential unit from the housing inventory and using it for commercial use.

B. Curtis Dowling, the attorney for the landlord at 542 Presidio Avenue (AL250026), said that the tenants have been married for over 30 years and have always filed joint tax returns. He said that because they are financially united as one for tax purposes, they can only have one principal place of residence in the world but the decision allows them to simultaneously have three separate principal places of residence, namely the unit in this case and two residences they co-own in San Francisco and Chicago which are collectively worth \$3 million and for which homeowners' exemptions are being taken. He said that contrary to the ALJ's memorandum, this is simply not allowed. He said that this is not a close case, and five of the six factors in Rule 1.21 favor the landlord and the sixth is heavily contested. He said that the decision disregards the admonition in Rule 1.21 that "a compilation of these elements lends greater credibility to the finding of principal place of residence, whereas the presence of only one element may not support such a finding." He said that the ALJ's finding lacks credibility under the plain text of the rule. He said that in this case, the ALJ faults the landlord for not having a neighbor testify about the tenant's absence from the unit but the plain text of Rule 1.21 places the burden on tenants to introduce "credible testimony from individuals with personal knowledge that the tenant actually occupies the residential unit as his or her principal place of residence." He said that the tenant's wife and adult son did not appear at the hearing to corroborate his testimony, and rebuttal testimony becomes impossible when the tenant purposefully covers up the landlord's cameras. He said that the tenant does not reside in the unit with his 8 – 30 employees and instead resides with his wife and son 10 minutes away from his work. He said this is why at least five of the six factors indisputably favor the landlord because the unit is solely a place used to conduct business and therefore the decision should be reversed in its entirety.

C. Clinton Woods, the tenant at 2230 Bryant Street, Unit 12 (AT250039), said that he has lived in San Francisco for 30 yeas and in this unit for close to 20 years. He said that his unit had been infested with pests for the past six to seven years. He initially informed the landlord orally, and in June 2022, he sent notice by email that the unit needed treatment. He said that on multiple occasions after inspections, pest control professionals told him that the infestation was coming from elsewhere, as his unit was very clean, and that the landlord needed to treat the entire building, and they failed to do so. He said that when the Department of Building Inspection (DBI) got involved last September, they told him that they would issue a Notice of Violation since the infestation was very bad. He said that when the Notice of Violation was issued, the landlord finally treated the entire building. He said that he lives on the bottom floor of a three-story, 24-unit building built in 1906. He said that the ALJ's response granted his petition for a substantial decrease in housing services only for the month that the Notice of Violation was issued and not for the four years prior that he had been sending repeated written requests for treatment to his landlord. He said that the ALJ ignored witness testimony of the intense and overwhelming pest infestation, and this sends the message to every landlord that unless DBI gets involved, it's not a substantial decrease in housing service. He said that this is contrary to the Rent Ordinance, and asked the Board to reverse the decision.

V. Approval of the Minutes

MSC: To approve the minutes of June 10, 2025. (Mosbrucker/Qian: 5-0; Crow, Hung, Klein, Tom and Wasserman abstaining)

MSC: To approve the minutes of July 15, 2025. (Wasserman/Qian: 7-0; Gruber, Klein abstaining)

VI. Consideration of Appeals

A. 542 Presidio Avenue

AL250026

This appeal was continued for consideration from the July 15, 2025 board meeting. The landlord appeals the denial of its petition seeking a rent increase under Rules and Regulations Section 1.21. In the decision, the ALJ found that the unit was the tenant's usual place of return and the landlord had failed to meet their burden of proving that the tenant was not a "tenant in occupancy" at the time that the petition was filed on August 16, 2024. In the appeal, the landlord argues that the ALJ incorrectly evaluated the evidence and misapplied Rule 1.21 by including the time the tenant operates his business from the unit in the analysis of whether the tenant was a "tenant in occupancy" of the unit.

Commissioner Mosbrucker recused herself from consideration of the appeal as her law firm previously represented the tenant in this matter.

Commissioner Wasserman recused himself from consideration of the appeal because he previously counseled the landlord in another, unrelated matter.

MSC: To accept the appeal and remand the case on the record to the Administrative Law Judge with instructions to find that there was no tenant in occupancy at the time the petition was filed. (Klein/Gruber: 3-2; Crow, Qian dissenting)

B. 795 Geary Street, Unit 404

AT250037

The tenant appeals the denial of her claim for decreased housing services. In the decision, the ALJ determined that the tenant had not met her burden of proving that the conditions alleged in the petition constituted substantial decreases in housing services. In the appeal, the tenant argues that the ALJ was biased towards her and did not properly evaluate the evidence, and that the landlord has not completed necessary repairs and is sending her fraudulent bills.

Commissioner Wasserman recused himself from consideration of the appeal because he knows the landlord personally and has been involved in the case.

MSC: To deny the appeal. (Klein/Gruber: 5-0)

C. 2230 Bryant Street, Unit 12

AT250039

The tenant appeals the decision granting his claim for decreased housing services. In the decision, the ALJ found that the tenant met his burden of proving that the presence of insects in the unit constituted a substantial decrease in housing services for the one month period that a code violation remained outstanding but not for any other period of time. In his appeal, the tenant argues that the ALJ did not properly evaluate the evidence and requests that the Board find that the decreased housing services began in June 2020 or other appropriate timeframe, and in the alternative, reverse the ALJ's decision and remand the case for a new hearing.

MSC: To accept the appeal and remand the case to the Administrative Law Judge with instructions to find that the rent reduction should begin January 1, 2023 and reconsider the amount of the reduction considering the prolonged nature of the pest infestation, with a hearing to be held only if necessary.

(Mosbrucker/Qian:5-0)

D. 575 Joost Avenue, Downstairs in-law

AL250043

The landlord filed the appeal 5 days late because he was unfamiliar with the Rent Board's appeal process.

MSC: To find good cause for the late filing of the appeal. (Wasserman/Gruber: 5-0)

The landlord untimely appeals the decision granting the tenant's claims for decreased housing services. In the decision, the ALJ found the landlord liable to the tenant for rent reductions in the sum of \$159.00 for the landlord's failure to provide direct access to a mailbox receptacle and \$560.00 for removing access to the backyard, as well as an ongoing \$70.00 rent reduction for each month until the landlord restores access to the backyard. In the appeal, the landlord argues that the tenant has access to the backyard through a window and seeks clarification of whether a monthly reduction in rent is still warranted.

MSC: To deny the appeal. (Mosbrucker/Qian: 5-0)

E. 3521 18th Street, Unit 9

AL250041

The landlord filed the appeal 13 days late because he was unfamiliar with the appeal process.

MSC: To find good cause for the late filing of the appeal. (Mosbrucker/Wasserman: 5-0)

The landlord untimely appeals the remand decision granting the tenants' petition for unlawful rent increase. In the decision, the ALJ found the landlord liable to the tenants for \$27,236.82 in rent overpayments for multiple null and void rent increases. In the appeal, the landlord argues that the ALJ did not properly evaluate the evidence, that the tenants verbally agreed to the rent increases, that the overpayment should be offset by rent the tenants still owe, and that the landlord's failure to raise the rent between 2009-2012 and 2014 and other accommodating conduct towards the tenants should be taken into consideration.

MSC: To deny the appeal. (Mosbrucker/Qian: 5-0)

F. 845 California Street, Unit 503

AT250044

The tenant appeals the decision denying her claim for unlawful rent increase. In the decision, the ALJ determined that parties' prior mediation agreement did not require the landlord to replace the tenant's mailbox before increasing the rent. In the appeal, the tenant argues that landlord agreed to permanently waive the 2023 annual rent increase, and that if the landlord is permitted to increase her rent then the parties' settlement agreement should be amended to increase the monthly rent reduction she receives for the condition of the mailbox.

MSC: To deny the appeal. (Wasserman/Gruber: 5-0)

The tenant appeals the decision denying in part his application for relief from payment of bond passthroughs based on financial hardship. In the decision, the ALJ determined that the tenant did not meet his burden of proving that he qualified for financial hardship relief prior to May 1, 2024. In his appeal, the tenant provides additional financial evidence for the period of February through April 2024.

MSC: To accept the appeal and remand the case to the Administrative Law Judge to consider the new evidence with a hearing to be held only if necessary.

(Mosbrucker/Qian: 5-0)

H. 801 Fillmore Street, Unit 11

AT250042

One tenant appeals the decision granting the landlord's petition for capital improvement passthroughs. In the decision, the ALJ certified the cost of replacing a mailbox, roof deck, and entry system, as well as elevator upgrades. In his appeal, the tenant argues in part that the cost of the elevator upgrade should be reduced by \$19,000.00 as that expense was already accounted for when the landlord purchased the building, that the new roof deck was not installed with the proper framing, and that the entry system had previously been upgraded and did not require replacement.

Commissioner Wasserman recused himself from consideration of the appeal because he represents the landlord in other, unrelated matters.

Commissioner Klein recused herself because she represents one of the landlord's non-attorney representatives.

MSC: To deny the appeal. (Tom/Hung: 5-0)

IV. Remarks from the Public (cont.)

A. Sebastian Graves, the tenant at 371 Turk Street, Unit 61 (AT250040), said that the Tenant Financial Hardship Application did not indicate when the public assistance needs to have been granted. He said that the application process for public assistance can take some time, and that in his case, there was a three-month period between his rent increase, his public benefit kicking in, and submitting his Financial Hardship Application. He said that having a better understanding of the timing would help everything run smoother.

VII. Communications

In addition to correspondence concerning cases on the calendar, the Commissioners received the following communications:

- A. News articles from the <u>San Francisco Examiner</u> and the <u>San Francisco Chronicle</u>.
- B. Departmental workload statistics for June 2025.
- C. Prop E (Commission Streamlining) Decision Calendar.

VIII. Director's Report

Executive Director Varner introduced the Commissioners to Patricia Strobel, a new senior clerk in the Rent Board's Inventory & Fee Unit. Director Varner said that Patricia was hired to fill a vacancy and that prior to working at the Rent Board, she worked at the Assessment Appeals Board, as an accounting and office manager at the Marine Exchange, and as a public safety dispatcher. Director Varner said that the department is doing well regarding fee collection, with about \$12M collected this fee cycle. She said that the delinquency notice period has ended and in the last 6 weeks, the Inventory & Fee unit team has managed to get the delinquencies down from 20,000 to less than 13,000. Director Varner said that on August 11 the department referred 12,700 parcels to the Bureau of Delinquent Revenue for collections and that these are parcels showing nonpayment of a principal balance for a unit and no homeowners exemption taken on that unit. Director Varner said that regarding the Housing Inventory, 114,205 licenses have now been issued, which is 19,560 more licenses generated in 2025 compared with 2024. She said that reports into the Inventory now total 129,800 reports over 22,850 parcels. With regard to outreach, Director Varner said that on Saturday, August 16, the department will participate in the Office of the Assessor-Recorder's Family Wealth Forum - Building Intergenerational Wealth at City College. With regard to legislation, Director Varner said that Senator Aisha Wahab's state Senate Bill 436, which would extend the notice period for nonpayment of rent from 3 days to 14 days, was passed by the Senate on June 2, 2025, and is currently parked on the Assembly floor. She said that it did not get the needed votes in the Housing Committee and can technically still move but could be a dead bill. She said that Assembly Bill 1248, introduced by Assemblymember Matt Haney in February of 2025 and amended in June of 2025, was shelved at Assemblymember Haney's request on June 3, 2025, effectively making it a two-year bill that could return in 2026. She said that the bill would bar landlords from charging tenants surprise fees on top of their monthly rent by requiring all rental advertisements to disclose the total rent for the unit, inclusive of all mandatory fees, and a description of any "optional" housing services offered by the landlord and their associated costs as well as regulate the use of Ratio Utility Billing Systems (RUBS) and require landlords to disclose the estimated monthly cost of RUBS utilities in the advertised price for the unit. Director Varner said that Board of Supervisors File Number (BOS) 240803 introduced by Supervisor Melgar passed unanimously by the Board of Supervisors on first reading on July 29, 2025. She said that among other changes to the Planning Code, this will require that whenever a property owner enters into a regulatory agreement with the City that subjects newly constructed dwelling units to the Rent Ordinance, the Planning Department shall note the existence of the recorded regulatory agreement in the Property Information Map or other similar, publicly accessible website. Director Varner said that Supervisor Melgar's BOS File No. 231224, originally introduced on November 28, 2023, which would amend the Housing Code to authorize occupants of residential dwelling units to sue a property owner to enforce the prohibition on substandard housing conditions, is still active at the Land Use Committee after Supervisor Melgar twice continued this item to remain active until July 2025. Director Varner concluded her report with a brief discussion about the Commission Streamlining Task Force requirements. She said that back in April, she spoke to the Commissioners about the Board of Supervisors' Budget and Legislative Analyst's Office (BLA) Study for Commission Streamlining. She said that Proposition E, approved by the voters in November 2024, established the Commission Streamlining Task Force, which is responsible for making recommendations to the Mayor and Board of Supervisors about ways to modify, eliminate, or combine the City's appointive boards and commissions to improve the administration of government. She said that Prop E requires the Task Force to submit recommendations by February 1, 2026 for

consideration for the November 2026 election and that to support the Task Force's review process, Prop E additionally requires the Board of Supervisors' Budget and Legislative Analyst (BLA) to assess the financial costs of operating and supporting the City's boards, commissions, and advisory bodies. She told the Board that the BLA is conducting a financial assessment and specifically requested information from the Rent Board about the financial cost of operating or supporting the Rent Board commission, including the costs of staff time spent to support, brief, meet with, or develop materials for this commission. She told the Commissioners that the department put together an extensive spreadsheet of the staff time being spent to carry out commission meetings to calculate the financial impact. She said that in addition to this financial assessment, the Task Force conducted a qualitative survey to gather feedback from department staff on the effectiveness of the commission and areas for improvement. Director Varner said that staff provided information to the task force in areas such as Mandate and Purpose, Public Engagement, Commission Business, Contracts, and Outcomes and Impact. She told the Commissioners that they have been provided the Prop E Commission Streamlining Task Force Calendar in their packet and can see that the Task Force will publish a recommendation about the Rent Board commission on September 12 in anticipation of the Task Force's October 1 meeting. She said that the Streamlining Task Force has built a website and is updating information regularly about the recommendations they are making, which started with policy bodies that had not met in the last 1-2 years or maintained quorum. She told the Board that the Task Force has not directed the department to make a specific inquiry with the Commissioners, but that the Task Force provided earlier information that it would be requesting feedback from the Commissioners. Director Varner then invited questions from the Commissioners and after a brief discussion, Commissioner Klein requested that Director Varner share the Task Force's qualitative survey questions together with the department's responses.

IX. Old Business

There was no Old Business.

X. New Business

A. Outreach Regarding Commission Procedures

Commissioner Haley told the Board that she was interested in modifying the introductory remarks at each commission meeting to increase the public's understanding of the procedures during the meeting. Commissioner Haley said that it appears that members of the public are not fully grasping that the appeal consideration is not an interactive hearing. She said that the introductory remarks should include a referral to the department's counseling services if the member of the public had any remaining questions. Commissioner Haley also suggested that staff greet the public at the door to determine who will be giving public comment, provide an explanation of the procedures, and call them in order. Director Varner suggested that staff could also include information on the agenda and website clarifying that the commission meeting is not an interactive hearing and Commissioner Klein suggested that written instructions also be posted on the podium or elsewhere in the room. Commissioner Mosbrucker requested that staff provide a draft of a new introduction for review by the commissioners and there were no objections.

XI. Calendar Items

September 9, 2025 – regular in-person meeting at 25 Van Ness Ave, Room 610.

Reader of the Ramaytush Ohlone Land Acknowledgement - Commissioner Klein.

A. Consideration of Appeals

a. 10 appeal considerations

XII. Adjournment

President Gruber adjourned the meeting at 7:32 p.m.