

**From:** [REDACTED]  
**To:** [Ernie Defrenchi](#)  
**Subject:** Re: You're Invited to a Stakeholder Group Discussion for the City of Sunnyvale: Right-to-Lease and Tenant Protections Ordinance  
**Date:** Monday, June 13, 2022 7:03:16 PM

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**ATTN: Email is from an external source; Stop, Look, and Think before opening attachments or links.**

First: 1 Year lease is a common option for lease after Month to Month option, and it is up to home owner to have or have not this option - this is his Private Property and it is only subject of an agreement between Owner and Tenant, it is nobody else Business. ( see "Private Property" meaning in both California and Federal constitutions).

Second: No one tenant evicted for a [no-fault just cause](#), it is always going through Lawyers and a court of law, so second part is meaningless and see "Private Property" meaning in both California and Federal constitutions" every time you are writing your Ordinances, it is very helpful, before you go to the class action lawsuit from the owners, which can bring down all the City and County and State Ordinance structure. It can be arrange, just for fun of it.

I doubt you want to have this kind of Ordinance for "Car rental" companies, 'Equipment rental' Companies, "Public travel" companies (Buses, Planes, Railroads) - you renting space or seat in them for time traveled.  
What difference do you see? law wise it is NONE - they are all the private properties giving to some entity or individual for a limited time use according to an agreement which suppose to follow the Law of the Land.  
Of course, if you want to eliminate "Private Property" by small steps, then Welcome to Communist China this is what you'll get as a result!  
Best regards

Home owner.

-----Original Message-----

From: Ernie Defrenchi <EDeFrenchi@sunnyvale.ca.gov>  
To: HousDiv AP <housing@sunnyvale.ca.gov>  
Sent: Mon, Jun 13, 2022 11:53 am  
Subject: You're Invited to a Stakeholder Group Discussion for the City of Sunnyvale: Right-to-Lease and Tenant Protections Ordinance

Good afternoon, the City of Sunnyvale is preparing a draft Right-to-Lease and Tenant Protections ordinance. This ordinance would require property owners to:

- Offer at least a one-year lease to tenants
- Provide relocation assistance to tenants who are evicted for a [no-fault just cause](#)

The City would like to hear your concerns, suggestions or alternative solutions at a stakeholder meeting for just the development community as well as landlords and property owners on **June 20<sup>th</sup> at noon and 6pm**. The City is offering two time options however information provided at the meeting will be the same.

**Please Note: This is an invitation based event, please do not share with others.**

Online Link: <https://sunnyvale-ca-gov.zoom.us/j/89521630868>

By telephone 833-548-0276 | Meeting ID 833 548 0276

Additionally, you can provide us with your feedback anonymously by completing this [survey](#) before July 1.

**Regards,**

**Ernie Defrenchi**  
**Affordable Housing Manager**  
Community Development Department

(c) 408-483-0663  
Direct Line: 408-730-2784  
Fax: 408-737-4906  
[Sunnyvale.ca.gov](http://Sunnyvale.ca.gov)

**From:** [HousDiv AP](#)  
**To:** [Ernie Defrenchi](#)  
**Subject:** FW: June 20 Housing meeting ... Rental Owner feedback  
**Date:** Monday, June 20, 2022 1:13:51 PM

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FYI

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**From:** Mick W [REDACTED]  
**Sent:** Monday, June 20, 2022 12:26 PM  
**To:** HousDiv AP <housing@sunnyvale.ca.gov>  
**Subject:** June 20 Housing meeting ... Rental Owner feedback

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City of Sunnyvale June 20, 2022  
One Year Right to Lease, Relocation Assistance, "Tenant Protections"

Please Stop your destruction of private property.

The 'no fault just cause eviction' RELOCATION ASSISTANCE is a BAD IDEA.

When major repairs occur such as the new Sewer line on Murphy Avenue a few years ago, we paid thousands of dollars for new 'sewer laterals,' not the renters.

When our insurance company required a new roof on our property, we paid, not the renters.

When real estate taxes, bonds and fees creep up annually, owners pay, not renters.

Money does not grow on trees or rentals.

Another government cost discourages rental ownership and construction in Sunnyvale.

'Relocation Assistance' is another cost that owners will be forced to pay.

And like all Government programs, it will be 'gamed,' and taken advantage of...

In the long run Sunnyvale will be regarded as a bad investment, too costly, legally unpredictable and hostile towards property owners. As a result, there will be less rental property and fewer housing options for renters.

Also, we already have State Wide Rent Control ( 5 % + CPI) on most rental property.

If you insist on 'helping' renters, why not be fair and allow Owners to take 5% of Tenant income increases & pay raises.

Call it Rental Provider Assistance. Fair is Fair.

And regarding One Year Leases.

Silicon Valley employment is cyclical and unpredictable. People move from job to job for more money or relocation demanded by their employer. People move and break their leases.

When Tenants break their leases, we have always let them go. We never drag them to court to pay months of rent or hold their Deposit when they skip out early.

But maybe we should enforce Leases and make tenants pay or 'ding' their credit score a few points. We could. That's the law.

In Summary, if the rental business becomes onerous for landlords, it will become onerous for Renters too. There will always be housing 'shortages' and periods of over supply when real estate prices drop. Markets are cyclical. Things change. If you want to provide rental housing, change the Zoning laws. Allow 'high-rise' construction everywhere. Subsidize rents. Or Cap rents at just \$ 100 per month. Why not? You could turn Sunnyvale into Manhattan and eventually there would still be a housing shortage.

If I were you, I would leave the 'market' to work out the rental situation.

As the old quote goes, “don’t just do something, stand there.”

Michael Wasylshyn



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JUN 27 2022

City Council Office

Attachment 5

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Housing Meeting

City of Sunnyvale

June 20, 2022

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Michael Wasylyshyn [REDACTED]



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Sunnyvale  
456 W. Olive Avenue  
Sunnyvale, Ca 94086

94086-768196



**Ernie Defrenchi**

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**Subject:** FW: Right to lease and Tenant Protection

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**From:** Helia Carvalho [REDACTED]  
**Sent:** Friday, August 26, 2022 11:16 PM  
**To:** Ryan Dyson <[RDyson@sunnyvale.ca.gov](mailto:RDyson@sunnyvale.ca.gov)>  
**Subject:** Right to lease and Tenant Protection

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August 26, 2022

I have been unable to respond to you by taking the survey, I did spend some time on the phone yesterday with Ryan. He listened to me, but I didn't feel I was really heard for the simple reason his message was the same.

I'm in disbelief about what the city of Sunnyvale is trying to do, one more nail in the coffin of the property owners. No one looks to help, assist or protect the property owners, it's all protecting the tenants, but who pays for all the destruction or lack of rent tenants don't pay. plus the taxes to the city we do.

Do I just call the city of Sunnyvale and ask for protection and help? No when the Moratorium was pushed upon us, we had to pay Taxes, Insurance, Repairs, Utilities, Mortgages there was no help from the City. I called the city to see about helping tenants that couldn't pay their rent one tenant one time received assistance, then no more.

So problems are created for property owners, with no resolution in sight. Now you are trying to pass another law, the property owner does a one year lease agreement. Are you going to be available if they don't pay rent yet they have 8 or 9 months on their lease.

The best one is for a property owner to pay relocation assistance to a tenant for a no fault just cause. My question is who is taking over my property, the city of Sunnyvale or am I the owner. Someone told me sometime ago that the government's goal is to take over properties, I laughed, but after the city of San Jose and now Sunnyvale is doing its no longer laughable

The City Council sits around, votes on these out of control laws and never mind thinking things out. Large Corporations can purchase properties owned by small owners, and let them go no longer are they taken care of as a small owner does pretty soon it all looks like a dump. I know it happened to me. The cooperation bought out a building of mine, increased the rents sky high, and let it go. The outside looks horrible. Embarrassing for the neighborhood then property values go down that's it.

You ask for owners, and managers input but you have already made up your minds what we say and think is baseless. keep in mind I can't imagine any owner is happy about any of this in my way of thinking thats many NO's.

Sincerely

Helia Carvalho

**From:** [Agnes Veith](#)  
**To:** [Ernie Defrenchi](#)  
**Cc:** [Jenny Carloni](#)  
**Subject:** Agnes Veith: Housing and Human Services Commission Meeting  
**Date:** Wednesday, March 22, 2023 8:51:11 PM  
**Importance:** High

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Hi Ernie and ,

I am currently listening to the commission meeting but when I raised my hand my hand was not recognized. The comment I intended to make is below.

Agnes

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Good Evening,

I am Agnes Veith. I am on the board of Livable Sunnyvale but tonight I am speaking on my own behalf.

I understand 55% of Sunnyvale's residents are renters. Protecting renters is extremely important and I want to thank city staff for their efforts on this ordinance. I would like to make one suggestion however, because I do not think thirty days notice is sufficient time for anyone to find housing in our current market. I would like to see this ordinance changed to reflect ninety days notice required in the case of a no fault eviction.

Over time, I would also like to see city leadership consider changing the rent cap calculation. The upper limit on annual rent increases is based on 5% plus CPI which will almost certainly exceed any renter's annual salary increase.

Thank you.



Regarding Agenda Item 23-0485  
Sunnyvale Planning Commission Meeting  
April 10, 2023

# The Mom-and-Pop Perspective on Sunnyvale's proposed Tenant Protection Ordinance

Janet Murdock

30 years as a Bay Area renter

11 years as the 'mom' of a Sunnyvale mom-and-pop 4-plex

The Rental Market Problems of 2019 Are Gone; There's Time to Carefully Evaluate New Laws

**2019** We had essentially zero vacancy and tech workers flooding to the area with large paychecks, desperately looking for a place to live.

Rent-gouging and frivolous evictions were lucrative for the unscrupulous owners who chose that path

The proposed Sunnyvale Tenant Protection Ordinance arose out of these conditions

**2023** The market changed:

- Tech workers moved elsewhere and work from home permanently
- Some tech workers are being laid off
- Plenty of vacancy
- Turnover is costly, not lucrative
- Rent-gouging isn't possible

The laws changed--State Law AB 1482 enacted January of 2020:

- Imposes rent control
- Restricts evictions after one year of tenancy, requiring 'No Fault Just Cause' or 'At Fault Just Cause.
- Law doesn't apply to properties 15 years old or less, and some other exceptions

About Me and the 4 Other Mom-and-Pops I know :  
We provide good deals and stable tenancies through booms and busts.

- We all have policies that result in very low rent increases for our existing tenants
  - I raised rents an average of 3% per year during the recent tech boom. I've had no turnovers in my 11 years as an owner, so my tenants now pay rents that are 30-35% below fair market
  - One Pop doesn't raise rents until the tenant asks for improvements or a remodel
  - Two Mom and Pop's don't raise rents *at all* on their existing tenants; one decided that after 10 years without turnover, a rent increase was necessary.
- Why do we keep rent increases small and turnover low?
  - To avoid spikes in workload—the time it takes from our lives matters extra cash doesn't make up for it
  - To avoid spikes in stress--turnover and the risk of getting a bad tenant are stressors
- Our low-turnover operations keep costs down
  - No maintenance and cleaning crew to handle turnovers
  - No front office staff to handle screenings and paperwork
  - No legal department to handle evictions of new tenants who turn out to be bad tenants

*But the proposed Tenant Protection ordinance will force changes in how we operate*

## 120-day Enactment Period Unfairly Penalizes *Some* Rent-Controlled (AB 1482) Properties

- California's new law, AB 1482, imposes rent caps on many properties: Rent cannot be increased more than the capped amount in *any 12-month period*.
- The date of the annual rent increase varies from property to property.
- The start date for 12-month leases mandated by the 120-day enactment period will lock in the current rent for 12 months, forcing some properties to miss their annual rent increase.
- It is unfair to arbitrarily (just by happenstance of the date of the property's last rent increase) deny some owners their annual rent increase, especially in a time when inflation is high and costs of operation are going up.

***A better solution:*** *For properties covered by AB1482 rent control,*

- *Allow for a 4-month education period to get word out about the new law*
- *Require 12-month leases to be offered at the time of the first rent increase that occurs after the education period*
- *12-month leases must be offered in all cases no later than 16 months after the enactment*

Reminder: The rental market has calmed. Evicting tenants is not lucrative like it may have been in the tech boom. There's no need to rush a 12-month lease requirement into place to stop frivolous evictions.

The requirement that 12-month leases must be renewed forever can cause unnecessary evictions

- Buildings don't last forever
- Sunnyvale has many old buildings serving as rentals, up to ~80 years old
- Building-wide maintenance keeps old buildings functional and up-to-date
  - Earthquake retrofit
  - Slow, small, long-term water intrusion impairs structural soundness over the decades
  - Old electrical systems that can't handle the demands of an all-electric era and become safety issues
  - The wonder materials of yesteryear—Asbestos and lead have to be removed when found
- Building-wide maintenance can cause the building to be uninhabitable for a few weeks or more
- Building-wide maintenance can be accomplished under month-to-month leases without evictions
  - Coordinate with tenants' schedules: School events? Graduations? Knee-replacement surgery? Vacations?
  - If we can't leave all furniture and belongings in the units while work proceeds, I rent storage PODs
  - Make a deal with the 4-plex owner 3 doors away who runs as an Air BnB to house my tenants temporarily
  - Change the rental agreement for one month: zero rent and belongings can stay on property
  - Win-Win: My tenants keep their below-market rents and I keep my good tenants
- Under Sunnyvale's proposed forever-renewing 12-month leases, I would have no choice but to evict at the end of the leases; No consideration for tenants' school schedules or surgeries is possible

## Three Alternatives to the 12-month leases forever to accommodate building-wide maintenance on old buildings

City of Sunnyvale waives of the 12-month lease on a case-by-case basis, based on:

- Owner's maintenance plan
- Tenant accommodations during maintenance
- Tenants retain the same rents after maintenance with a 12-month lease offer

Exempt buildings that are 30 years old or older from the leasing requirement

- Big maintenance starts to be necessary at about 30 years
- These buildings (including my 4-plex) are covered by AB 1482's rent control and 'No Fault Just Cause' eviction limitations already

Exempt the Mom-and-Pop Operations

- There are many 4-plexes in Sunnyvale that were built (a long time ago) for owners who live on site (in a so-called 'owners unit') and rent out the other 3 units
- Our interests are already aligned with our tenants; We keep turnover down by keeping rent increases small.
- The extra cost of the unnecessary evictions can make it cost-prohibitive for small owners to maintain old buildings

## Bad Tenant Risk and Cost Increased by Sunnyvale's Proposed Ordinance

### Under State Law AB 1482:

- State Law AB 1482's requirements for 'No Fault Just Cause' eviction don't apply until the tenant is been in place for 12 months
- An owner can remove a tenant on a month-to-month lease by simply giving sufficient notice.

### Under Sunnyvale's Proposed Tenant Protection Ordinance:

- Starting a 12-month lease on the first day of a tenancy imposes a bigger bad-tenant risk formom-and-pops
- The only option is to hire an attorney and proceed with an unlawful detainer case (We don't have a legal department.)
- Besides high cost, this requires a lot of my time and is high-stress
- To mitigate those risks and costs, my best option is to
  1. Institute higher minimums when screening new tenants (better credit rating, rental income, and minimum income)
  2. Charge a higher deposit: Instead of the \$500-\$700 that is now customary, charge a full month's rent, so that the new tenant has some skin in the game
  3. A well-heeled tenant will eventually come along who will appreciate the good deal I can provide

### Tilting the Local Rental Market against Mom-and-Pops and towards Big Players

1. It's not enough to have a lot of apartments available to keep rents moderate. There have to be a lot of owners.

After the 2008 financial crisis, Blackstone, a large Wall Street private equity firm, scooped up distressed properties (including single family homes) in the Inland Empire, east of Los Angeles. Even though there was wide-spread unemployment and vacancy, rents were increasing significantly. Why? Not enough owners. (This phenomenon was investigated by Rana Faroohar, a reporter for the Financial Times, as described in interviewed by Ezra Klein of the New York Times on June 17, 2022)

2. Mom-and-Pops are providing great deals to tenants because long-term tenancies are fundamental to our quality of life.
3. Tilting the market removes rungs from the economic ladder. It will prevent current renters from becoming the next generation of Mom-and-Pops.
  - I was a bay area renter for 30 years before becoming a 4-plex owner.
  - My next-door neighbor, also an owner who lives in his 4-plex, was a renter *in that building* prior to purchasing it from the previous owner, when that owner retired.
4. Big Players like Blackstone don't out-compete Mom-and-Pops. They wait for us to become distressed.
  - The proposed Sunnyvale Tenant Protections add complications, risks, and maintenance costs that fall heavily on the Mom-and-Pop style of operations.
  - We are likely heading into a recession in the broader economy.
  - It could be another great opportunity for private equity firms like Blackstone.



## Summary: We request that Sunnyvale Planning Commission Consider Alternatives

Instead of the proposed Tenant Protection ordinance, consider instituting a law similar to the emergency ordinances used in California fire zones:

- When vacancy gets to zero (in the next tech boom)
- Impose a 10% annual across-the-board rent cap
- Turnover of any sort does not allow the rent to be raised beyond the annual cap
- It applies to ALL rentals, not just buildings older than 15 years

### OR Exempt the Mom-and-Pop Operations from Sunnyvale Tenant Protection Ordinance

- There are many 4-plexes in Sunnyvale that were built (a long time ago) for owners who live on site (in a so-called 'owners unit') and rent out the other 3 units
- Our interests are already aligned with our tenants; We keep turnover down by keeping rent increases small.
- We are already under the restrictions imposed by State Law AB 1482 because we own an old building

### OR Exempt Old Buildings

- A lot of the burden of Sunnyvale Tenant Protection is due to the need to do building-wide maintenance and the complications imposed by the 'forever' 12-month leases.
- This maintenance doesn't start until buildings are about 30 years old.
- Exempt buildings that are older than 30 years.