



CITY OF GLENDALE

Tenant Dispute Resolution and Mediation

Introduction

This report presents the findings and recommendations of the Ad-Hoc Committee's discussion on mediation programs and their potential implementation. The Ad-Hoc Committee was tasked with assessing the feasibility and desirability of establishing a mediation program to address various issues, including rent increases, security deposits, evictions, habitability, and relocations. The purpose of this report is to outline the committee's consensus, highlight differing perspectives on program parameters, and propose a way forward.

Background

Tenant-landlord mediation/or dispute resolution programs are services offered by government agencies or community organizations that aim to resolve disputes between tenants and landlords. These programs provide a neutral, third-party mediator who can help both parties to negotiate a resolution to issues such as rent increases, repairs, or changes to lease terms.

The cities that were identified as having these types of programs include:

- Berkeley
- Burbank
- Camarillo
- Campbell
- West Hollywood
- Los Gatos
- Marin County
- Mountain View
- Sacramento
- San Rafael
- Santa Barbara
- Santa Monica

Fearing that the report might become repetitive with multiple similar examples, staff has made a conscious decision to keep the report concise and avoid redundancies. Consequently, the report will primarily concentrate on three agencies with programs unique from one another.

Marin County

Marin County's Rental Housing Dispute Resolution Program, also known as "Mandatory Mediation," assists landlords and tenants in resolving disputes related to rent increases. The program requires landlords to participate in mediation if they wish to raise rents by more than 5% over a 12-month period. The program covers residential dwelling units in the Town of Fairfax, Unincorporated Marin County, and the City of San Rafael.

The program not only addresses rent increase disputes but also handles other landlord-tenant issues, such as security deposit returns or necessary repairs to rental units, although participation in these cases is not mandatory.

To initiate mediation, individuals in Marin County can submit their requests online or through paper submission. The Consumer Protection Unit of the Marin County District Attorney's Office oversees the mediation process, which operates separately from the Housing Department. The expected timeline for resolution is approximately 8-12 weeks.

In 2022, Marin County received 287 mediation requests, and 118 cases were mediated in some form. There are no costs to residents associated with the program. The program is staffed with two mediators, including one bilingual mediator. The funding for the program comes from court filing fees and a Joint Powers Authority with the towns and cities in the county, although an exact budget estimate was not provided.

Similarly, LA County operates a comparable mediation program through the LA County Department of Consumer and Business Affairs (LACBA). LACBA provides mediation services for a variety of disputes, including those between landlords and tenants, businesses and customers, neighbors, family, and contracts. They offer telephone, online, and in-person mediation options, with bilingual services available to accommodate individuals with limited English proficiency.

Burbank

The City of Burbank operates an informational program through its Landlord-Tenant Commission, primarily focusing on resolving residential landlord-tenant disputes and serving as an informational resource. The commission serves as a resource for individuals seeking mediation services and information regarding residential properties.

The program addresses various types of disputes, including rent increases, evictions, relocation fees, habitability concerns, and lease agreements, among others. Individuals seeking assistance from the commission can submit an intake form online or in person. Eligibility requirements include not working with a lawyer and completing the form accurately.

The program is operated by the City of Burbank through its Landlord-Tenant Commission. A commissioner from the commission typically reaches out to members of the public within 24-48 hours of receiving the intake form. Resolutions may be achieved on the day of contact or within a week, depending on the complexity of the situation.

In 2022, the program received 87 intake forms involving evictions, rent increases, relocation fees, habitability concerns, and lease agreements. There are no costs associated with the program for members of the public.

The Landlord-Tenant Commission consists of volunteers appointed by the City Council. A city staff member acts as a liaison, overseeing form assignments, agendas, and meeting minutes. The Housing Authority Manager and Housing Specialist attend meetings to review procedures and provide updates to the commission and members of the public.

The program is funded by the City of Burbank, as part of its larger housing program, and does not have separate funding. The staff involved in the program includes a Housing Authority Manager, a Housing Specialist, and an Intermediate Clerk. According to Burbank staff, the program requires minimal time and functions as an information-based program without providing legal advice. Ultimately, decisions are made by the tenant or landlord.

Santa Monica

The City of Santa Monica, as part of the rent control program, provides a mediation program to assist in resolving disputes between tenants and landlords.

The mediation program covers various types of disputes, including rent decrease petitions, construction-related rent decrease petitions, base rent, and amenities petitions, among other things.

To file a complaint, individuals must complete an online petition, which is then sent to either the Hearings Department or a mediation facilitator. Parties are notified of hearings at least ten days in advance, and if deemed appropriate for mediation, a trained mediator is assigned to the case. The mediator helps identify issues and facilitates a mutually acceptable solution. Appeals are heard by the Rent Control Board.

The mediation program is operated by the City of Santa Monica as part of its Rent Control program. The expected timeline for resolution is currently longer than their 180-day regulation requirement.

In terms of case numbers, there were 101 cases addressed in 2022.

The program is financed by annual registration fees paid by owners of rent-controlled units, with the option for owners to transfer half of the fee to the tenant. There are no additional costs for parties to utilize the program.

The staffing for the Rent Control department includes a Hearings Department Manager, an Office/Budget Coordinator, a Hearing Specialist, a Hearing Investigator, three Hearing Officers, and one as-needed Mediator. The budget and funding specifics for the mediation program within the Rent Control department are not specified, but the overall budget for Santa Monica's Rent Control program is over \$5 million.

City of Glendale

Past Mediation efforts in Glendale

In early 2002, in response to concern for tenant and landlord relationships regarding matters of habitability and rent, a rent mediation program was pursued by the Glendale City Council. The program concept was to provide a City operated mechanism for review of rent increases, eviction notices, etc., in an effort to limit excessive increases or retaliatory actions that cause evictions. In response to a proposal from the then formed Glendale Apartment Association, a

voluntary rent mediation was formulated and partially funded by the City (\$15,000 for education and outreach funded by CDBG).

However, in August 2002, the voluntary program had to be discontinued. The Glendale Apartment Association was unable to garner voluntary participation, leading to its discontinuation. The challenges in soliciting participation from landlords and tenants contributed to the program's inability to effectively operate and achieve its intended goals.

Current Process

While the report identifies several cities in California that have established mediation or tenant dispute resolution programs, it's important to note that Glendale's Rental Rights Program may be sufficient in addressing tenant-landlord disputes.

The Rental Rights Program in Glendale already provides assistance and counseling to tenants and landlords, as well as an informal process for resolving disputes related to rent increases, security deposits, and repairs. The program also offers education and outreach to both landlords and tenants to promote understanding of the rights and responsibilities of each party.

Through an informal process, Rental Rights staff has served as a mediator between Tenants and Landlords since the inception of the program. Introducing a separate mediation program would necessitate additional financial resources for its implementation and maintenance, including funding for staff salaries, training, administrative costs, and other program-related expenses. Given that the Rental Rights Program is effectively fulfilling the role of mediation, allocating additional resources to duplicate the efforts seems unnecessary and inefficient.

Instead of introducing an additional mediation program, an alternative recommendation is to enhance the enforcement capabilities of the existing Rental Rights Program in Glendale. While the Rental Rights Program has been successful in mediating cases between tenants and landlords, bolstering its enforcement powers would provide a more comprehensive solution to address rental disputes effectively.

By granting the Rental Rights Program greater enforcement capabilities, it would have the authority to take stronger actions against parties who violate rental regulations or engage in unfair practices. This would empower the program to protect tenant and landlord's rights more effectively and discourage parties from engaging in illegal or exploitative behavior.

Enhanced enforcement capabilities could include:

- **Increased Penalties:** The program could propose the introduction penalties or fines for landlords found guilty of violations, ensuring that the consequences are more substantial and act as a deterrent.
- **Compliance Inspections:** Equipping the program with the ability to conduct inspections of rental units to ensure compliance with health, safety, and habitability standards would provide proactive measures to identify and rectify potential violations.

- **Legal Support:** Allocating resources for legal support within the Rental Rights Program would enable tenants to access legal advice and representation, enhancing their ability to navigate disputes and seek fair resolution.

By focusing on enhancing the enforcement capabilities of the Rental Rights Program, Glendale can ensure that tenant and landlord rights are protected and upheld in a more robust manner. This approach leverages the existing infrastructure and expertise of the program while addressing the need for stronger enforcement measures to deter misconduct and ensure compliance with rental regulations.

Overview of Ad-Hoc Committee Discussion

During the committee's deliberations, it became evident that there was a consensus that a mediation program could bring benefits to the community. A majority of members agreed that such a program would be voluntary and non-binding in nature, aiming to facilitate constructive dialogue between parties involved in housing-related disputes.

A voluntary and non-binding program, as agreed upon by the majority of Ad-Hoc Committee members, refers to a mediation program that does not require participation. In this context, "voluntary" means that participation in the program is not mandatory or legally required. It is up to the parties involved, both tenants and landlords, to decide whether they want to engage in the mediation process.

The voluntary nature of the program allows parties to willingly enter into mediation, demonstrating their willingness to engage in dialogue and find a mutually acceptable resolution to their housing-related disputes.

Additionally, the program being "non-binding" signifies that the mediation outcomes and agreements reached through the process are not legally enforceable. Unlike a binding arbitration process where the decisions are legally binding and must be followed, a non-binding program encourages parties to reach a mutually satisfactory agreement through facilitated dialogue. The non-binding nature means that if either party is dissatisfied with the outcome, they are not legally obligated to adhere to it and can explore other avenues for resolution if necessary.

Although a few members expressed a desire for a mandatory binding program, the majority of the Ad-Hoc Committee agreed that a voluntary and non-binding approach would be more suitable for the mediation program. This type of a voluntary, non-binding program would be similar to the 2002 program established by the then City Council.

In contrast to a voluntary and non-binding program, a mandatory binding program would require all parties involved in housing-related disputes to participate in the mediation process. Participation would be obligatory, and the decisions or agreements reached through mediation would be legally binding and enforceable by law.

There was a general agreement among committee members that the program should encompass a wide range of topics to address the diverse needs of the community. These topics included but were not limited to rent increases, security deposits, evictions, habitability, relocations, and other common housing-related disputes. By covering a broad scope, the mediation program would have the potential to address a variety of pressing issues faced by tenants and landlords alike.

The Ad-Hoc Committee felt that a mediation/dispute resolution program provides a structured and neutral environment for tenants and landlords to communicate and resolve their conflicts. By fostering open dialogue and understanding, these programs can help preserve relationships between the parties involved.

Furthermore, it was the Ad-Hoc Committees view that mediation allows for more flexible and customized solutions compared to court-imposed decisions. Tenants and landlords can actively participate in crafting agreements that meet their specific needs and circumstances.

Mediation programs can expedite the resolution of disputes. By providing a structured process and dedicated mediators, these programs aim to reach agreements efficiently. Timely resolution is beneficial for all parties involved, as it reduces stress, uncertainty, and the prolonged disruption that can arise from unresolved conflicts.

Overall the Ad-Hoc Committee felt that tenant/landlord mediation/dispute resolution programs promote effective communication, collaborative problem-solving, and timely resolutions. By providing a constructive platform for dialogue, these programs can benefit tenants and landlords by preserving relationships, reducing costs, and offering tailored solutions to their specific disputes.

While the Ad-Hoc Committee acknowledged the need for a mediation program, it also recognized several challenges associated with a voluntary approach. One of the key concerns is the reliance on the willingness of both tenants and landlords to participate in mediation. Unfortunately, some landlords may choose not to engage in the process, leaving tenants without access to the benefits of the program.

The success of voluntary mediation heavily depends on the cooperation and good faith of landlords. However, due to the power imbalance in rental relationships, tenants may feel pressured or intimidated, fearing potential retaliation or negative consequences if they engage in mediation. This power dynamic can influence the fairness of agreements reached during the mediation process, as landlords often possess more resources and leverage.

Another limitation of a voluntary mediation program is that the outcomes are typically not legally binding. This means that landlords may not be legally obligated to comply with any agreements made during the mediation sessions. As a result, tenants may face challenges in

enforcing their rights or seeking legal remedies if a landlord refuses to uphold the terms of the agreement.

Ad- Hoc Committee Recommendations

Based on the discussions held and the perspectives shared by committee members, the following recommendations are proposed:

- Establish a voluntary, non-binding mediation program to address housing-related disputes.
- Design the program to cover a wide range of topics, including rent increases, security deposits, evictions, habitability, relocations, and other relevant issues.
- Consider a hybrid model for program administration, combining a board or commission with dedicated staff.
- Develop clear guidelines for mediator qualifications, ensuring a balance between formal training, certification, and ongoing professional development.
- Designing a formal process for tenants and landlords to access mediation services, ensure a structured and effective approach to resolving their disputes.
- Conduct further research and stakeholder consultations to refine program parameters, taking into account local housing market conditions, legal frameworks, and community needs.

Another recommendation put forth by the committee was to conduct a trial run of the mediation program to assess its effectiveness before fully implementing it.

Potential Costs

Implementing a mediation program with voluntary participation, as recommended by the Ad-Hoc committee, incurs certain costs. One of the primary expenses is hiring a professional mediator to facilitate the meetings and ensure a fair and effective mediation process.

According to data from Salary.com, the salary range for a Mediator in California is approximately \$51,082 to \$81,473 per year. However, if a Mediator is also an attorney with specialized expertise, the salary range increases to \$110,081 to \$152,383 per year.

Considering the potential need for administrative support and other operational costs associated with running the mediation program, it is important to account for additional expenses. These costs may include administrative staff salaries, training and development, office space, technology, and program promotion.

Taking these factors into consideration, it is reasonable to estimate the total annual costs of the mediation program to be between \$120,000 to \$210,000. This estimation provides a range that encompasses the mediator's salary, administrative expenses, and other associated costs.

However, it is essential to conduct a comprehensive budget analysis specific to the program's requirements and available resources to arrive at a more precise cost estimate.

Conclusion

The Ad-Hoc Committee has recognized the potential benefits of a mediation program for addressing housing-related disputes. While differing perspectives on program parameters were evident, the Ad-Hoc Committee reached a consensus on a voluntary non-binding approach, encompassing a wide range of topics. By implementing the recommendations outlined in this report, the members believe that the community can benefit from an effective and inclusive mediation program that promotes constructive dialogue and amicable resolutions in the realm of housing disputes.