

**Minutes of the Regular Meeting of the
Rent Review Advisory Committee
Monday, June 2, 2014**

1. CALL TO ORDER AND ROLL CALL

Chair Miller called the meeting to order at 7:00 p.m.

Present were: Chair Miller; Vice Chair Perry; and Members Nguyen and Roberts. Member Harrison was absent. RRAC staff in attendance: Claudia Young.

2. CONSENT CALENDAR

a. Approval of Minutes of the April 7, 2014 Regular Meeting

The consent calendar was approved by unanimous consent.

3. UNFINISHED BUSINESS (None)

4. NEW BUSINESS

a. Case 317-B – 470 Central Avenue

- Units 1, 2, 7, 10, 12, 14, 15, 22, 23, 25, 31, 32 & 33

Tenants in attendance/public speakers: Vicente M. Placido, Augustine Hans Durand, Mike Sabo, Charles Penalver, Rommel Laguardia, Joker B. Almasco, Julia Balthasar Downs, Maria Jose Virgen, Adelina Jesus Torres, Melanie M. Garcia, Garfield Kincross, Melvin Peterson, Yolanda Gonzalez, and Guillermo A. Garcia.

Owner's representative in attendance/public speaker: Paul Lin, manager for owner, Holmes Business LLC.

The Chair gave an overview of the RRAC process and invited Mr. Lin to address the RRAC. Mr. Lin stated that he had been under pressure from the owner to bring the rents up to market rate and a rent survey was conducted. On April 28, 60-day notice of increase letters were sent to the tenants. The increases were above ten percent. Mr. Lin stated that the resident manager reported that there were strong reactions from the tenants, particularly the long time tenants, regarding the amounts of the increases. As a result, new letters were sent to the tenants about one week later stating that the rent increases would be limited to ten percent. Mr. Lin produced a copy of one of these letters for the RRAC's review.

The Chair asked Mr. Lin if he had been provided with copies of the complaints and he responded that he had them. The Chair asked him to respond to the maintenance issues stated in the complaints. Mr. Lin stated that he had brought a list of completed items that included: exterior painting of the whole complex, removal of a non-permitted storage unit inside the courtyard, complete resurfacing of the courtyard with new concrete, replacement of two water heaters, reinforcement of the walkways, rewelding and repair of stairways, and replanting of the inside courtyard. He added that repairs are done as a result of his monthly maintenance inspections, not tenant complaints.

The Chair asked Mr. Lin to address the tenants' complaints regarding conditions inside the apartments. Mr. Lin responded that he brought his work log for the RRAC's reference.

In response to questions by Member Roberts, Mr. Lin stated that the rent survey was done for just Alameda city, not the whole Bay Area. In addition to Alameda, Holmes Business LLC manages properties in San Jose, Santa Clara, and Portland.

Vice Chair Perry asked Mr. Lin what the owner's intention was for the duration of the ten percent increases. Mr. Lin stated that it has not yet been decided; it depends on the market. He stated that over the past five years, management had only increased the rent by six to eight percent last year. The Chair reminded Mr. Lin that during most of the past five years, rents were stagnant and only in the past year have they dramatically increased. He stated that he wants to work with the tenants but also wants to catch up to market rents as much as he can. He stated that it's the normal practice to place new tenants on a one-year agreement, followed by a month-to-month agreement. The Chair asked if he would be agreeable to a recommendation of ten percent increases for a period of one year. Mr. Lin responded that he would be in agreement with that. Vice Chair Perry asked if Mr. Lin had the authority to commit to that tonight and he responded that he did.

At this time, the Chair called up the tenants to speak about their issues, which included: lack of responsiveness by the on-site managers, water damage, mold, rodents, termites, condition of the swimming pool and laundry room, refusal to replace screens and blinds, excessive waits for unit repairs, broken building call box, and concerns about the frequency of future rent increases. One tenant noted that replacing water heaters or repairing rails was a "must do," not an upgrade.

The Chair invited Mr. Lin to respond to these concerns. He stated the owner has pest control and pool contractors who go to the complex on a regular basis. Mr. Lin stated that he would address the communication problem with the on-site managers.

Vice Chair Perry moved that the RRAC recommend that the ten percent rent increases be for a minimum 12-month period. Seconded by Member Roberts and passed unanimously.

b. Case 318 – 2045 Clinton Avenue, Unit 3

This case was not heard, as the tenant had withdrawn the complaint prior to the meeting.

5. ORAL COMMUNICATIONS

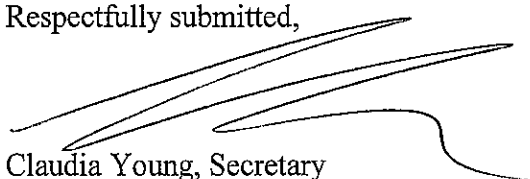
Angie Watson-Hajjem of ECHO Housing spoke about ECHO's tenant/landlord mediation services. She also distributed copies of the Renewed Hope tenant survey.

6. WRITTEN COMMUNICATIONS (none)

7. ADJOURNMENT

The meeting was unanimously adjourned at 8:50 p.m.

Respectfully submitted,



Claudia Young, Secretary

CY:rv