

**Minutes of the Regular Meeting of the
Rent Review Advisory Committee
Monday, November 6, 2017**

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 6:30 PM.

Present were: Chair Cambra; Vice-Chair Sullivan-Sariñana; Member Griffiths

Absent were: Members Friedman and Murray

Committee staff: Grant Eshoo, Jennifer Kauffman

City Attorney staff: John Le

2. AGENDA CHANGES

- a. Staff informed the Committee that several of the cases on the agenda would not be heard, and as those cases were called, staff would provide more detail.
- b. Chair Cambra proposed that the Committee table items 7-L, 7-M, and 7-N until the following meeting. Motion and second (Griffiths and Cambra). Motion passed unanimously.

3. STAFF ANNOUNCEMENTS

- a. Staff explained the schedule for the evening, noting where to find the meeting agenda and outlined procedures for public comment.

4. PUBLIC COMMENT, NON-AGENDA, NO.1

- a. Paul Marcelin spoke about his positive experiences as a renter in Alameda and thanked the RRAC for their work.
- b. Angie Watson-Hajjem, ECHO Housing representative, spoke about ECHO's housing-related services.
- c. Eric Strimling, Alameda Renters Coalition representative, opined that the Ordinance creates a rebuttable presumption that 5% is a fair rate of return for landlords. He requested that the RRAC cap rent increases at five percent.

5. CONSENT CALENDAR

5-A. Approval of the Minutes of the July 17, 2017 Special Meeting

Motion and second (Sullivan-Sariñana and Griffiths). Motion passed unanimously.

5-B. Approval of the Minutes of the August 7, 2017 Regular Meeting

Motion and second (Griffiths and Cambra). Motion passed unanimously.

5-C. Approval of the Minutes of the September 6, 2017 Regular Meeting

Motion and second to table the Minutes (Sullivan-Sariñana and Cambra). Motion passed unanimously.

6. UNFINISHED BUSINESS
 - a. No unfinished business.

7. NEW BUSINESS

- 7-A. CASE 934.1 – 1503 Central Ave.**

Tenant: Todd Born

Landlord: Joe Byrd

Mr. Born stated that the rent increase placed a financial burden on his family, citing other financial obligations, such as medical school loans, car loans, and child care. He described his home as a two-bedroom unit in a multifamily building, and stated that the current rent was already equivalent to that of a single-family home in Alameda. He expressed that the yard remains unusable for his family, even though the landlord did work to make improvements. Mr. Born stated that the property improvement work the landlord was doing has interfered with his family's ability to fully use and enjoy the property.

Mr. Byrd stated that he and his wife had been remodeling houses for 30 years, and some of them have been entered into historical registries. He said he recently purchased this property and he hopes to restore the Victorian home so that it might be placed in an historical registry. He stated that he has already started repairing and upgrading the property and has plans for additional improvements in the future. Mr. Byrd distributed a printed PowerPoint presentation of his planned upgrades to the property.

Mr. Born explained that the ongoing remodeling work would continue to interfere with his family's ability to fully use and enjoy the home and was therefore another reason the rent should not be raised.

Mr. Byrd offered to negotiate on the amount of the rent increase if Mr. Born would sign a lease. Mr. Born said he was open to signing a 3-month lease if Mr. Byrd gave no rent increase. Mr. Byrd agreed.

The parties reached a voluntary agreement of no rent increase.

- 7-B. CASE 940 – 300 Westline Dr., Apt. A215**

No Committee review. The tenant did not attend the meeting. The rent increase will become effective as stated in the notice, with the 12-month lease or month-to-month option available to the tenant.

- 7-C. CASE 942 – 300 Westline Dr., Apt. A313**

No Committee review. The tenant did not attend the meeting. The rent increase will become effective as stated in the notice, with the 12-month lease or month-to-month option available to the tenant.

7-D – CASE 943 – 330 Westline Dr., Apt. B222

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase of \$96.00 (4.7%).

7-E – Case 944 – 344 Westline Dr., Apt. C221

No Committee review. The tenant did not attend the meeting. The rent increase will become effective as stated in the notice, with the 12-month lease or month-to-month option available to the tenant.

7-F. CASE 945 – 909 Shorepoint Ct., Apt. D315

No Committee review. The tenant did not attend the meeting. The rent increase will become effective as stated in the notice, with the 12-month lease or month-to-month option available to the tenant.

7-G. CASE 946 – 915 Shorepoint Ct., Apt. E307

Tenant: Poonam Arora, accompanied by a man who identified himself as "Ash"
Landlord: Katie Edwards, Sunset Ridge Development Company, Inc.

Ms. Edwards acknowledged that Ms. Arora's rent had been increased substantially in the past, and her current rent was around market rate. She stated that she would like to understand why the tenant preferred the month-to-month agreement instead of a 12-month lease.

Ms. Arora stated that Ms. Edwards had misinformed her that Ordinance 3148 requires landlords to offer existing tenants only a 12-month lease. She stated that after additional communication, the landlord then offered her a month-to-month option with a \$529 (17.0%) increase, which she thought was excessive, especially since she was paying market rate rent. Ms. Arora stated that in 2015 the landlord raised her rent by over 16% and that no upgrades had been made to her apartment since she moved in 12 years ago. Ms. Arora noted that new tenants at the property are offered shorter term lease options (e.g., three- and four-month options). She stated she would like to understand why management offered the shorter term lease option to her at such a large rent increase.

Ash added that hot water, garbage, and sewage used to be included in the rent but were unbundled several years ago. Ms. Arora now pays those charges in addition to increased rent. Ash explained that Ms. Arora needs a shorter lease or month-to-month

agreement because her work situation may require her to move. He noted that Ms. Arora has documented the needed upgrades to property management, but no work has been completed.

Committee members facilitated dialogue regarding the lease duration and rent increase options.

Ms. Edwards explained the financial reasons her business encourages the tenants to sign 12-month leases. She stated that if the tenant would sign a 6-month or 12-month lease, she would impose no rent increase and replace the tenant's carpet. Ms. Edwards offered a \$155.00 (5.0%) rent increase for a month-to-month agreement.

Ms. Arora said that it would be difficult for her to sign a 12-month lease due to her work situation. She stated that she would like some more time to consider the options presented by the landlord.

The tenant and the landlord agreed that the rent increase would become effective based on the following options:

- \$155.00 (5.0%) increase for a month-to-month agreement, effective December 1, 2017
- No rent increase for a 6-month lease
- No rent increase for a 12-month lease

7-H. CASE 947 – 941 Shorepoint Ct., Apt. F121

No Committee review. The tenant did not attend the meeting. The rent increase will become effective as stated in the notice, with the 12-month lease or month-to-month option available to the tenant.

7-I. CASE 949 – 941 Shorepoint Ct., Apt. F317

No Committee review. The tenant did not attend the meeting. The rent increase will become effective as stated in the notice, with the 12-month lease or month-to-month option available to the tenant.

7-J. CASE 950 – 937 Shorepoint Ct., Apt. G113

No Committee review. The tenant did not attend the meeting. The rent increase will become effective as stated in the notice, with the 12-month lease or month-to-month option available to the tenant.

7-K. CASE 951 – 915 Shorepoint Ct., Apt. E127

Tenant: Mehdi Shoja

Landlord: Katie Edwards, Sunset Ridge Development Company, Inc.

Ms. Edwards clarified that Mr. Shoja's rent is \$2,148.00 plus an optional \$60.00 for parking, which he has chosen to pay. She said that the tenant originally signed a 6-month lease at \$2,343.00 per month, and his rent was reduced to \$2,148.00 thereafter. Ms. Edwards stated that her company could transfer the tenant to another property it owned or managed if his job was moving to a location where the company had other properties. She mentioned that some companies would pay for their employee's lease termination fee.

Mr. Shoja said he was hesitant to sign another lease because his job may soon move and believes that the \$365.00 increase is too high for the month-to-month option. Mr. Shoja said that he was uncertain if and where he would be transferred. He did not think his company offered to pay lease termination fees. Mr. Shoja said that the job transfer would not happen for at least three months and he would be open to signing a 3-month lease.

The tenant and the landlord agreed to a \$107.00 (4.8%) rent increase to a total rent of \$2,315.00 for a 3-month lease, effective December 1, 2017.

Staff clarified that only one rent increase may become effective in any twelve month period. The rent cannot be raised at the expiration of the 3-month lease, but rather, when twelve months have passed since the effective date of this rent increase.

7-L. Discuss time keeping mechanisms.

No public comment.

Motion and second to move the item to the next available agenda (Griffiths and Cambra). Motion passed unanimously.

7-M. Discussion of policy input regarding the written letters and resources provided to RRAC participants prior to a case review.

No public comment.

Motion and second to move the item to the next available agenda (Griffiths and Cambra). Motion passed unanimously.

7-N. Debrief of prior business: discuss considerations raised during the events of the previous meetings to improve the Committee review process: Case 911 – 2904 Central Ave.

No public comment.

Motion and second to move the item to the next available agenda (Griffiths and Cambra). Motion passed unanimously.

8. PUBLIC COMMENT, NON-AGENDA, NO. 1.

- a. Eric Strimling, Alameda Renters Coalition representative, provided comment on Case 934.1. He welcomed the landlords to Alameda and thanked them for investing in the community. He opined that the landlords would not need to raise the rent to see profit from their investment, as he believed property values would continue to rise. He stated that unbundling services is a form of rent increase. He commented that he thought the meeting went well and noticed a positive change in Prometheus (Sunset Ridge Development Company, Inc.).

9. MATTERS INITIATED

- a. None.

10. ADJOURNMENT

The meeting adjourned at 8:20 PM.

Respectfully submitted,

RRAC Secretary
Grant Eshoo

Approved by the Rent Review Advisory Committee on January 10, 2018