

**Minutes of the Regular Meeting of the
Rent Review Advisory Committee
Monday, May 1, 2017**

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 6:34 p.m.

Present were: Chair Sullivan-Sariñana; Vice-Chair Landess; Members Cambra and Friedman

Absent: Member Griffiths

Committee Staff: Jennifer Kauffman

City Attorney Staff: John Le

2. AGENDA CHANGES

- a. Staff noted that the only tenant present at the meeting was the tenant for the agenda item 7-AF. Motion and second (Sullivan Sariñana and Landess) to hear agenda item 7-AF first. Unanimous approval.

3. STAFF ANNOUNCEMENTS

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

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

- a. Angie Watson-Hajjem of ECHO Housing spoke about ECHO's fair housing and tenant-landlord mediation services.

5. CONSENT CALENDAR

- a. Approval of the Minutes from the January 24, 2017 Special Meeting.
Agenda item continued to a future Committee meeting when three Committee members are present who attended or listened to the audio of the January 24th Committee meeting.

- b. Approval of the Minutes from the March 6, 2017 Regular Meeting.

6. Agenda item continued to a future Committee meeting when three Committee members are present who attended or listened to the audio of the March 6th Committee meeting.

7. UNFINISHED BUSINESS

- a. No unfinished business.

8. NEW BUSINESS

7-AF. CASE 805.1 – 2006 Santa Clara Ave.

Tenant: Roberto De La Torre

Landlord: Mortimer Howard and Felicia Howard

Proposed Rent Increase: \$350.00 (12.5%) effective June 1, 2017.

Mr. Howard explained that the rent increase is an effort to earn a fair return on investment and that the unit's rent is below the market rate. He considered market rate for a comparable unit to be \$3,400 based on his online research and conversations with real estate agents. He stated that the quality and location of the unit contributes to its value. Mr. Howard noted that he made costly improvements to the kitchen, floors, backyard, and roof when he purchased the property. Both Mr. Howard and his daughter expressed a desire to reach an agreement with the tenant.

Mr. De La Torre explained there was a miscommunication with his landlord during the initial conversation of the rent increase. He was not informed of his rights in the notice and therefore the landlord was required to re-notice the rent increase. Mr. De La Torre stated this rent increase request poses a financial burden for his family. He also noted that he felt pressure from his landlord to accept the increase or move. Mr. De La Torre raised some concerns about the maintenance of the back fence and explained that he works hard to maintain the property to the best of his ability. He stated that an increase of \$200.00 is more reasonable and affordable.

Committee members asked about the number of tenants and bedrooms. Mr. De La Torre clarified that there are three adults and six children in the unit. He also clarified that they use two bedrooms, a converted living room, and a finished basement as a total of four sleeping rooms. Committee members requested that staff explain the fair housing occupancy standards. Staff described the two people per bedroom, plus one, guidelines.

Members asked several questions of both parties to facilitate dialogue. The parties were unable to reach an agreement.

Committee members concluded the conversation with tenant and landlord and opened deliberation between members to render a recommendation.

- Member Friedman noted the history of rent increases: four years of 5% increases, and more recently, two years of higher increases. He explained that the rent increase request is high, but also that the number of occupants is also high. He stated that he would support recommending a 10% increase.
- Chair Sullivan-Sariñana expressed concern for the tenant's ability to afford the requested increase. He explained that the requested 12% increase was very large. He added that the Committee does not consider market rent into their recommendation. He recommended an increase of 10%.

- Member Cambra expressed concern that the return on investment calculation may be misrepresented depending on the actual number of bedrooms in the unit. He noted that the Committee does not consider the market rent in their recommendation. He agreed that the high number of tenants in the unit creates a burden on the property. He stated that an increase above 5% is justified, but expressed concern about the tenant's ability to pay. He supported an increase 10%.
- Vice-Chair Landess noted that both the tenant and the landlord take pride in the property. She agreed that the number of tenants in the unit adds to wear and tear. She supported a 10% increase with the stipulation that all the tenant's maintenance concerns are addressed.

The Committee made the following non-binding recommendation:

- \$280.00 (10.0%) rent increase from \$2,800 to \$3,080.00, effective June 1, 2017.

Motion and second (Sullivan-Sariñana and Cambra). Unanimous approval.

7-A. CASE 804 – 215 Hudson Bay

Tenant: Absent
Landlord: Absent

Proposed Rent Increase: \$1,525.00 (51.2%) effective March 7, 2017

No Committee review. Prior to the RRAC meeting, the landlord withdrew the rent increase request. The tenant is purchasing the property.

7-B. CASE 818 – 2701 San Jose Ave.

Tenant: Absent
Landlord: Absent

Proposed Rent Increase: \$150.00 (7.5%) effective May 1, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-C. CASE 820 – 300 Westline Dr., A205

Tenant: Absent
Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$49.00 (2.0%); *No review*

Month-to-month agreement - \$673.00 (27.3%); *Under review*

Effective date: May 31, 2017

No Committee review. The tenant did not attend the meeting. Hence, the Committee took no action and the rent increase for either option is effective as of the effective date in the rent increase notice.

7-D. CASE 821 – 300 Westline Dr., A301

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$135.00 (5.0%); *No review*

Month-to-month agreement - \$680.00 (25.2%); *Under review*

Effective date: May 2, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-E. CASE 823 – 310 Westline Dr., B206

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$84.00 (4.7%); *No review*

Month-to-month agreement - \$592.00 (33.0%); *Under review*

Effective date: May 25, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-F. CASE 824 – 330 Westline Dr., B225

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$103.00 (4.9%); *No review*

Month-to-month agreement - \$597.00 (28.8%); *Under review*

Effective date: May 28, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-G. CASE 825 – 344 Westline Dr., C112

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$89.00 (4.9%); *No review*

Month-to-month agreement - \$543.00 (30.5%); *Under review*

Effective date: June 1, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-H. CASE 826 – 344 Westline Dr., C114

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$56.00 (1.9%); *No review*

Month-to-month agreement - \$646.00 (22.7%); *Under review*

Effective date: May 10, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-I. CASE 827 – 344 Westline Dr., C211

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$94.00 (4.9%); *No review*

Month-to-month agreement - \$588.00 (31.0%); *Under review*

Effective date: May 24, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-J. CASE 828 – 344 Westline Dr., C215

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$82.00 (4.9%); *No review*
Month-to-month agreement - \$512.00 (31.0%); *Under review*
Effective date: May 17, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-K. CASE 829 – 344 Westline Dr., C227

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$82.00 (3.6%); *No review*
Month-to-month agreement - \$656.00 (28.8%); *Under review*
Effective date: May 23, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-L. CASE 830 – 344 Westline Dr., C228

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$105.00 (4.9%); *No review*
Month-to-month agreement - \$642.00 (30.5%); *Under review*
Effective date: May 28, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-M. CASE 831 – 344 Westline Dr., C311

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$81.00 (3.6%); *No review*
Month-to-month agreement - \$655.00 (28.8%); *Under review*
Effective date: May 21, 2017

No Committee review. Prior to the RRAC meeting, the tenant provided written documentation to the landlord that they will vacate the unit.

7-N. CASE 832 – 909 Shorepoint Ct., D205

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$73.00 (2.6%); *No review*

Month-to-month agreement - \$677.00 (24.4%); *Under review*

Effective date: June 1, 2017

No Committee review. Prior to the RRAC meeting, the tenant provided written documentation to the landlord that they will vacate the unit.

7-O. CASE 833 – 909 Shorepoint Ct., D312

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$43.00 (1.9%); *No review*

Month-to-month agreement - \$611.00 (28.1%); *Under review*

Effective date: May 6, 2017

No Committee review. Prior to the RRAC meeting, the tenant provided written documentation to the landlord that they will vacate the unit.

7-P. CASE 834 – 915 Shorepoint Ct., E101

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$78.00 (4.9%); *No review*

Month-to-month agreement - \$466.00 (29.6%); *Under review*

Effective date: May 15, 2017

No Committee review. The tenant did not attend the meeting. Hence, the Committee took no action and the rent increase for either option is effective as of the effective date in the rent increase notice.

7-Q. CASE 835 – 915 Shorepoint Ct., E107

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$109.00 (4.9%); *No review*
Month-to-month agreement - \$576.00 (26.2%); *Under review*
Effective date: May 18, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-R. CASE 836 – 915 Shorepoint Ct., E111

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$112.00 (4.9%); *No review*
Month-to-month agreement - \$600.00 (26.6%); *Under review*
Effective date: May 24, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-S. CASE 837 – 915 Shorepoint Ct., E119

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$81.00 (3.6%); *No review*
Month-to-month agreement - \$652.00 (29.1%); *Under review*
Effective date: May 29, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-T. CASE 838 – 915 Shorepoint Ct., E206

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$115.00 (4.9%); *No review*
Month-to-month agreement - \$615.00 (26.5%); *Under review*
Effective date: May 24, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-U. CASE 839 – 915 Shorepoint Ct., E214

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$113.00 (4.9%); *No review*

Month-to-month agreement - \$604.00 (26.6%); *Under review*

Effective date: May 26, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-V. CASE 840 – 915 Shorepoint Ct., E228

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$71.00 (3.9%); *No review*

Month-to-month agreement - \$594.00 (32.9%); *Under review*

Effective date: May 10, 2017

No Committee review. Prior to the RRAC meeting, the tenant provided written documentation to the landlord that they will vacate the unit.

7-W. CASE 841 – 915 Shorepoint Ct., E324

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$57.00 (1.9%); *No review*

Month-to-month agreement - \$657.00 (22.9%); *Under review*

Effective date: May 26, 2017

No Committee review. The tenant did not attend the meeting. Hence, the Committee took no action and the rent increase for either option is effective as of the effective date in the rent increase notice.

7-X. CASE 842 – 941 Shorepoint Ct., F107

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$88.00 (4.9%); *No review*

Month-to-month agreement - \$550.00 (31.0%); *Under review*

Effective date: May 15, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-Y. CASE 843 – 941 Shorepoint Ct., F117

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$69.00 (4.9%); *No review*

Month-to-month agreement - \$461.00 (33.0%); *Under review*

Effective date: May 18, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-Z. CASE 844 – 941 Shorepoint Ct., F129

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$37.00 (1.9%); *No review*

Month-to-month agreement - \$564.00 (30.4%); *Under review*

Effective date: May 25, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-AA. CASE 845 – 941 Shorepoint Ct., F133

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$67.00 (4.9%); *No review*

Month-to-month agreement - \$444.00 (32.9%); *Under review*

Effective date: May 24, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-AB. CASE 846 – 941 Shorepoint Ct., F233

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$37.00 (2.0%); *No review*

Month-to-month agreement - \$560.00 (30.4%); *Under review*

Effective date: May 20, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-AC. CASE 847 – 941 Shorepoint Ct., F315

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$46.00 (2.4%); *No review*

Month-to-month agreement - \$571.00 (30.3%); *Under review*

Effective date: May 22, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-AD. CASE 848 – 937 Shorepoint Ct., G116

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$110.00 (4.9%); *No review*

Month-to-month agreement - \$649.00 (29.3%); *Under review*

Effective date: May 2, 2017

No Committee review. The tenant did not attend the meeting. Hence, the Committee took no action and the rent increase for either option is effective as of the effective date in the rent increase notice.

7-AE. CASE 849 – 937 Shorepoint Ct., G217

Tenant: Absent

Landlord: Katie Edwards, Prometheus Real Estate Group, Inc.

Proposed Rent Increases:

12-month lease - \$76.00 (4.9%); *No review*

Month-to-month agreement - \$502.00 (33.0%); *Under review*

Effective date: May 24, 2017

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 0-5%.

7-AG. Committee members will discuss the role of maintenance concerns as it applies to the rent review process.

Member Cambra explained that previous Committees had used maintenance concerns as a negotiating tool, but did not enforce maintenance agreements. He noted that maintenance contributes to the value of the property and is relevant to the tenant-landlord discussion. Vice-chair Landess asked staff for clarification regarding the ability of the Committee to consider maintenance. Member Friedman noted that maintenance is relevant to the tenant-landlord relationship.

Staff clarified that the Committee has the authority to render recommendations concerning the amount the rent increase. In determining the reasonable amount of a rent increase, the Committee may take into consideration maintenance concerns that result in a decrease in housing services. However, it is not within the Committee's authority to require maintenance as a stipulation of a rent increase.

Chair Sullivan-Sariñana expressed concern that the public may not be informed of the Committee's scope. Member Friedman suggested that parties access mediation services or the courts to address maintenance concerns. Vice-Chair Landess emphasized that the Committee's involvement in the case ends when a recommendation is given.

Staff clarified that parties are given the option of free, private mediation before the Committee meeting. Staff explained that parties can come to an agreement on their own terms and that staff acknowledges this agreement. Staff also noted that in addition to any written documents, agreements reached at the Committee meeting are captured in audio recording.

Vice-Chair Landess requested that staff provide additional training on the matter.

Public comment:

Speaker Toni Grimm stated that parties always run out of time during the meeting. She explained that if tenants know maintenance issues will not be considered, they can spend more time talking about financial burden and other important factors. She also explained

that outside parties should not contact Committee members directly. She stated that these parties should attend the Committee meetings and give public comment.

7-AG. Discussion of trends and concerns with rent increases from large properties.

Chair Sullivan-Sariñana clarified that he intended this item allow for a discussion of the Committee's non-binding decisions for rent increases equal to or less than 5%. He noted that there are very few tenants that bring cases to the Committee for rent increases equal to or less than 5%. He expressed concern that tenants may be unaware of the option to request reviews and asked if there are opportunities to communicate the RRAC process to the public. Member Friedman suggested that the Chair write a letter to the newspaper to inform tenants of the review process.

Staff explained that the program administrator is responsible for outreach and education. Staff summarized some of the most recent outreach efforts and the City Attorney staff identified that the Committee's scope is specific to rent increase reviews.

Public comment:

Speaker Toni Grimm stated that she believes many tenants with increases equal to or less than 5% do not request rent increase reviews because the Committee's decision is non-binding. Moreover, tenants are concerned with creating a confrontational dynamic with their landlord.

Speaker Trish Spencer stated that Committee members are welcome to attend City Council meetings and give public comment in an effort to educate the public. She also noted that the City Council can share information about the RRAC process.

7-AG. Upcoming opportunities to become a RRAC member.

Staff announced that two Committee member terms expire on June 30, 2017. There is currently an open call for applications to fill one tenant and one landlord seat. More information can be found on www.alamedarentprogram.org and by contacting the City Clerk's office. Chair Sullivan-Sariñana expressed appreciation for the current members' service and encouraged current members to re-apply.

9. PUBLIC COMMENT, NON-AGENDA, NO. 2.

- a. No public comment.

10. MATTERS INITIATED

- a. Staff announced that the next Committee meeting is scheduled for June 5, 2017.
- b. Staff announced that City Council will meet on May 16, 2017 to consider amendments to Ordinance no. 3148. Vice-Chair Landess requested that staff forward the meeting agenda to the Committee.

- c. Staff announced that Program Administrator and City Attorney staff are looking to schedule a training for Committee members.
- d. Member Friedman asked for clarification on the procedures if a member is familiar with an individual scheduled on the agenda. Staff explained that when a Committee member is familiar with a party, the member must notify staff prior to the RRAC meeting and staff will give further direction.

11. ADJOURNMENT

The meeting was adjourned at 9:16 p.m.

Respectfully submitted,



Committee Secretary

Jennifer Kauffman

Approved by the Rent Review Advisory Committee on July 5, 2017.