

**Minutes of a Special Meeting of the
Rent Review Advisory Committee
Monday, November 27, 2018**

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 6:56 p.m.

Present were: Vice Chair Murray; Members Griffiths and Sullivan-Cheah

Absent: None

Program staff: Jennifer Kauffman, Samantha Columbus

City Attorney staff: None

2. AGENDA CHANGES

None.

3. STAFF ANNOUNCEMENTS

None.

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

None.

5. CONSENT CALENDAR

None.

6. UNFINISHED BUSINESS

None.

7. NEW BUSINESS

7-A. CASE 1063 – 1825 Poggi St., Apt. A311

Tenants: Yosief Philipos

Landlords: Andy King

Proposed rent increase: \$119.00 (10.0%), effective September 1, 2018

Mr. King said that Vue Alameda was purchased by new ownership in October 2017. He said the new ownership intended to address the deferred maintenance concerns of the residents to make the property safer, as well as provide new amenities. He said the new owners have spent \$3 million on improvements and expect the improvements to be completed by 2019. He explained that the owners are requesting a rent increase above 5% to compensate for the additional services that are being provided to residents and to help cover some of the renovation expenses. Some examples of improvements include new pedestrian and vehicle gates, additional storage space, a fitness center, a child center, propane barbeque equipment, a new roof, a new pool, new roofing, and new

landscaping. Additionally, safety upgrades were made to the units with balconies, including seismic retrofitting for earthquake safety.

Vice Chair Murray asked about a discrepancy in the rent increase history provided at the unit and asked if he had any information on when the rent increases occurred and what the circumstances for the rent increases were. Mr. King replied that when they took over the property in 2017 there were a number of lease files that were incomplete.

Mr. Philipos stated that he has seen changes to the outside of apartments but no changes inside. He said his carpet was more than 15 years old and when he asked his previous landlord to fix it they just covered up the parts that needed fixing. He also stated that there are water leaks in the bathroom that has caused the floor to bubble up. He stated the requested increase of 10% would pose a financial hardship, explaining that he is the only person working in his family and has to take care of his mother.

Mr. King responded that tenants were encouraged to come to management with maintenance issues, and that things like water leaks were considered a priority to fix.

Member Sullivan-Cheah asked Mr. King if there were procedures in-place for maintenance requests.

Mr. King stated that there were several ways to request a maintenance work, including an online submission form.

Mr. Philipos stated that he did not know about the online submission form but would use it to request maintenance work.

Member Sullivan-Cheah asked Mr. Philipos about the rent increase history details at the unit and Mr. Philipos said he could not recall.

Member Sullivan-Cheah asked if Mr. Philipos' wife was able to work, and Mr. Philipos stated that she is able to but has not found work yet. He asked if Mr. Philipos is the sole caretaker for his mother and Mr. Philipos said that he supports her financially.

Member Sullivan-Cheah asked Mr. Philipos what percentage of his income would go towards his rent if the 10% increase went into effect. Mr. Philipos stated that it would be too much, and he would have to make adjustments to his lifestyle and budget to accommodate.

Vice Chair Murray asked what Mr. Philipos' occupation was, and he said he is an engineer. She asked the maximum increase he could afford and he said \$55.00.

The parties took a seat and the Committee deliberated.

Motion and second for a \$0 increase from September 1, 2018 through November 30, 2018, followed by an increase of \$100.00 from December 1, 2018 through August 31, 2019 (Vice Chair Murray and Member Sullivan-Cheah). Motion passed 3-0.

7-B. CASE 1107 – 1825 Poggi St., Apt. A309

Tenants: Brandon Isaacson

Landlords: Andy King

Proposed rent increase: \$175.00 (10.0%), effective October 1, 2018

Mr. Isaacson said that this is the 2nd rent increase at his apartment in the past three years, adding the improvements were more cosmetic than structural. He stated that there have been no changes made to the inside of the apartment, and voiced concern over a possible safety hazard with a gap in between cement floors and railing in his unit.

Member Sullivan-Cheah asked about the tenant's prior rent increases, and Mr. Isaacson said the rent had been raised 5% every year that he has been a resident.

Vice Chair Murray asked what effect the increase would have on Mr. Isaacson, and he stated that it would strain their finances; for example, that they were already putting off having car repairs done due to shortage of money.

Member Griffiths asked how much of an increase he could afford and Mr. Isaacson replied he could afford an increase of about \$52, which coincided with the 2-3% increase in his salary.

The parties took a seat and the Committee deliberated.

Motion and second for a \$0 increase from October 1, 2018 through November 30, 2018, followed by an increase of \$100.00 from December 1, 2018 through September 30, 2019 (Vice Chair Murray and Member Sullivan-Cheah). Motion passed 3-0.

At 8:10 p.m. the Committee agreed to take a five-minute break.

At 8:14 p.m., Vice Chair Murray made an announcement that given the time remained they could only hear two more cases for the night, so they are going to defer two cases - Agenda Items 7-G and 7-I - to the next meeting.

7-C. CASE 1108 – 1825 Poggi St., Apt. A310

No Committee review. The tenant was not present. The landlord may impose the rent increase as noticed or as otherwise agreed-upon by the parties.

7-D. CASE 1109 – 1825 Poggi St., Apt. A313

Tenant: Naza Hojic

Landlords: Andy King and Shahzad Raufi

Proposed rent increase: \$126.00 (9.9%), effective October 1, 2018

Mr. Hojic stated he has lived in the unit for about ten years, and there have been no changes made to the inside of his apartment during that time. He presented to the Committee a picture of his bathtub, which he believed was in need of repair. He shared that he had been without work for two months, and his wife was disabled and worked part-time, as they tried to raise a 10 year old daughter. He noted that the landlords had made improvements to the outside of the property, but reiterated that no improvements have been made to his unit.

Mr. King withdrew the rent increase, stating that he was not aware of the tenants' circumstances.

7-E. CASE 1110 – 1861 Poggi St., Apt. B101

No Committee review. The tenant was not present. The landlord may impose the rent increase as noticed or as otherwise agreed-upon by the parties.

7-F. CASE 1111 – 1861 Poggi St., Apt. B103

No Committee review. The tenant was not present. The landlord may impose the rent increase as noticed or as otherwise agreed-upon by the parties.

7-G. CASE 1112 – 1861 Poggi St., Apt. B202

No Committee review. Review of this case was postponed to a future meeting due to time constraints.

7-H. CASE 1115 – 1861 Poggi St., Apt. B301

No Committee review. The tenant presented evidence that she had received a rent increase within the last twelve months and the landlord withdrew the rent increase request.

7-I. CASE 1116 – 1861 Poggi St., Apt. B304

No Committee review. Review of this case was postponed to a future meeting due to time constraints.

8. PUBLIC COMMENT, NON-AGENDA ITEMS, NO. 2.

9. MATTERS INITIATED

Member Sullivan-Cheah asked staff why City Attorney staff had been absent for several meetings. Staff replied that the absences were due to the fact that the increased and irregularly-scheduled RRAC meetings sometimes ran concurrently with other meetings that City Attorney staff had to attend, such as City Council meetings.

10. ADJOURNMENT

- a. The meeting adjourned at 8:35 p.m.

Respectfully Submitted,

RRAC Secretary
Grant Eshoo

Approved by the Rent Review Advisory Committee on January 23, 2019