

**Minutes of the Regular Meeting of the
Rent Review Advisory Committee
Wednesday, November 9, 2016**

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 6:35 p.m.

Present were: Vice-Chair Landess; and Members Friedman, Griffiths, and Schrader.

Absent: Chair Sullivan-Sariñana

Vacancy: None

RRAC Staff: Jennifer Kaufman

2. AGENDA CHANGES (None)

3. STAFF ANNOUNCEMENTS

- a. Staff announced that based on information from the Registrar of Voters Office, unofficially Measure L1, a City Council sponsored measure concerning rent review, rent stabilization and limitations on evictions has been approved by the voters. The Registrar, however, is continuing to count votes and the results concerning Measure L1 will not be certified until early December. More information can be found on www.alamedarentprogram.org.

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

- a. No public comment.

5. CONSENT CALENDAR

- a. Approval of the Minutes of the October 3, 2016 Regular Meeting. Approved by unanimous consent. Motion and second (Schrader and Griffiths).

6. UNFINISHED BUSINESS (None)

7. NEW BUSINESS

- a. Case 544 – 310 Westline Dr #B313

Proposed rent increases:

12-month lease - \$135 (5.0%) effective 11/11/16; *No review*

Month-to-month agreement - \$817 (30.1%) effective 11/11/16; *Under review*

No review. The tenant did not attend the meeting. Hence, the Committee took no action and both options on the rent increase notice are valid. The tenant retains the option to choose the 12-month lease offer or the month-to-month rental agreement offer.

b. Case 555 – 915 Shorepoint Dr #E106

Proposed rent increases:

12-month lease - \$135 (4.7%) effective 11/22/16; *No review*

Month-to-month agreement - \$286 (9.9%) effective 11/22/16; ***Under review***

No review. The tenant did not attend the meeting. Hence, the Committee took no action and both options on the rent increase notice are valid. The tenant retains the option to choose the 12-month lease offer or the month-to-month rental agreement offer.

c. Case 559 – 941 Shorepoint Ct #F231

Proposed rent increases:

12-month lease - \$32 (1.6%) effective 11/19/16; *No review*

Month-to-month agreement - \$136 (6.6%) effective 11/19/16; ***Under review***

No review. The tenant did not attend the meeting. Hence, the Committee took no action and both options on the rent increase notice are valid. The tenant retains the option to choose the 12-month lease offer or the month-to-month rental agreement offer.

d. Case 561 – 941 Shorepoint Ct #232

Proposed rent increases:

12-month lease - \$60 (2.5%) effective 11/30/16; *No review*

Month-to-month agreement - \$174 (7.3%) effective 11/30/16; ***Under review***

No review. The tenant did not attend the meeting. Hence, the Committee took no action and both options on the rent increase notice are valid. The tenant retains the option to choose the 12-month lease offer or the month-to-month rental agreement offer.

e. Case 565 – 941 Shorepoint Ct #F221

Proposed rent increases:

12-month lease - \$92 (5.0%) effective 11/19/16; *No review*

Month-to-month agreement - \$1845 (43.8%) effective 11/19/16; ***Under review***

No review. The tenant did not attend the meeting. Hence, the Committee took no action and both options on the rent increase notice are valid. The tenant retains the option to choose the 12-month lease offer or the month-to-month rental agreement offer.

f. Case 567 – 442 ½ Pacific Ave

Tenant/public speaker: Rasheed Shabazz

Landlord/public speaker: Truyen Dang

Proposed rent increase: \$500 (35.8%) effective 12/1/16

Note: Staff received information that the delivery of the rent increase notice may not be in accordance with State law. Both parties were notified of this concern and referred to seek legal advice. The City's Rent Stabilization Ordinance does not stipulate requirements on delivery of notices. The Program Administrator does not have authority to enforce deficiencies under certain State law requirements.

The tenant, Mr. Shabazz, stated the maximum rent increase he would be able to pay is \$69.00 (4.9%). Mr. Shabazz explained the proposed rent increase would be a substantial financial burden because currently he spends around 45% of his income on rent. He estimated that he would likely have to move if the rent was raised to the proposed amount. He noted that he has not received additional services or amenities with this rent increase. The tenant explained that he has lived in the unit for 11 years and emphasized the value of long-term tenancy. Mr. Shabazz also stated that this increase is a retaliatory response to an invalid termination notice served in December 2015.

The landlord estimated that the fair market value for a 2-bedroom unit with a separate single car garage is around \$2,200. Hence, he stated the proposed rent remains under fair market value. Mr. Dang explained that he has worked very hard over his lifetime and is looking for a fair return on his property. He is retired and relies on this income to provide for his family. He stated that he does not want the tenant to move. Mr. Dang emphasized that he has a great deal of respect for Mr. Shabazz and this increase is not retaliatory.

Member Schrader noted that rents for long-term tenants are often lower than those for a new tenant. Member Friedman asked Mr. Dang if there are any large costs of operation causing him to request such a large rent increase. Mr. Dang said he considers his operating costs to be normal.

Mr. Dang explained that while his proposed rent increase is below the market rate, he would consider lowering the increase to \$400 (28.6%). He stated that this is the lowest increase he could consider.

Member Griffiths asked about the possibility of adding a roommate to the unit, noting there is currently one tenant residing in a 2-bedroom unit. Mr. Shabazz stated that he is open to adding a roommate. Mr. Dang stated adding a roommate would not be possible. Member Friedman emphasized that adding a roommate could allow the landlord to receive higher rent while also reducing the financial burden on the tenant.

Staff clarified that the tenant and landlord have the option to pause the meeting and speak privately.

Public Comment, Agenda Item 7-F:

Name: Caitlin Grey

The speaker stated she is a tenant in Alameda. She stated that Mr. Shabazz shared a great deal of personal financial information. She stated that she had wanted the landlord to share more budgetary information such as the number of units owned, overall income, and overall costs.

Name: Maria D. Dominguez

The speaker stated she is from the Alameda Renter's Coalition. She emphasized that the rights of low income people of color are at risk. The speaker stated that landlords consider mortgages, repairs, and profit in determining rent. She stated that transparency from both parties is needed. The speaker expressed her support for Mr. Shabazz.

Name: Lester Dixon

The speaker said he has known Mr. Shabazz for many years. The speaker stated that Mr. Shabazz is an integral part of the community. He emphasized the importance of keeping communities together and that the consequences of a tenant leaving Alameda are irreversible. He explained that the proposed rent increase is a large shock.

The parties were unable to reach an agreement. The Committee discussed a binding recommendation for the rent increase.

- Member Griffiths stated that the tenant is a valuable member of the community. He also emphasized the landlord's refusal to consider allowing another roommate in the unit. Griffiths recommended an increase of \$69.00 (near 5%).
- Member Friedman thanked the public speakers for their participation. He stated that it is hard to understand such a large rent increase without more financial information from the landlord. He emphasized the landlord's refusal to consider allowing another roommate in the unit and the tenant's inability to pay a higher rent. Friedman recommended an increase of 3%.
- Member Schrader explained that it is difficult for the unit to be so far below the market rate. He also noted the proposed rent is a significant increase. Referencing the intent of the Ordinance and the financial burden on the tenant, Schrader recommended an increase of 5%.
- Vice-Chair Landess stated that the proposed increase is difficult to absorb. She noted that while landlords face many expenses, it is important to address these through gradual rent increases. Landess recommended an increase of 5%.

The Committee recommended a rent increase of \$69.00 (4.9%) effective December 1, 2016. Motion and second (Griffiths and Schrader) and unanimous consent.

8. PUBLIC COMMENT, NON-AGENDA, NO. 2
 - a. Angie Watson-Hajjem of ECHO Housing spoke about ECHO's Fair Housing and tenant/landlord mediation services.
 - b. No additional public comment.
9. MATTERS INITIATED (None)
10. ADJOURNMENT

The meeting was unanimously adjourned at 8:00 p.m.

Respectfully submitted,



RRAC Secretary

Jennifer Kauffman

Approved by the Rent Review Advisory Committee on December 5, 2016.