

**Minutes of a Special Meeting of the  
Rent Review Advisory Committee  
Monday, November 19, 2018**

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 6:36 p.m.

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

Absent: None

Program staff: Grant Eshoo, Gregory Kats

City Attorney staff: None

2. AGENDA CHANGES

Staff called roll of participants present. All were present except for the tenants in Agenda Item 7-D, which was moved to the end of New Business, to be called after Agenda Item 7-G.

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 1059 – 1845 Poggi St., Apt. D226**

Tenants: Thu Thanh Tran Ngo and Calvin (last name unknown)

Landlords: Andy King and Shahzad Raufi

Proposed rent increase: \$117.85 (9.9%), effective September 1, 2018

Mr. King said his company acquired the property in October 2017, and had spent over \$3 million to improve it. He provided the Committee with a document that listed improvements made to the property, which included before and after photos. He said the owners were requesting increases to compensate for both the cost of the upgrades and improvements and because the tenants' rents were below market rate.

Through her son Calvin, who translated for her, Ms. Ngo said she believed the increase being requested was excessive because the improvements were made to the common

areas, other tenants' units, and the exterior of the property, rather than to her unit in particular. She said she believed a 5% increase was appropriate due to unresolved issues that go back to the previous owner.

Member Griffiths asked when the retrofitting would be done and Mr. Raufi said it was ongoing. Member Griffiths asked why the landlords did not ask for an increase through the City's capital improvement process and they said they did not know about it. Member Griffiths asked how many units were at the property and the landlords replied that there are 186 units at the property.

Member Sullivan-Cheah asked if the rent increases were calculated to be about 10% per unit and Mr. King said they were, adding that he believed the 10% increase would not bring the tenants to market rate.

The tenants expressed some ongoing concerns, e.g., mold in the bathroom, a piece of drywall that had fallen off of the ceiling, and the failure of the toilet to flush properly.

Vice Chair Murray asked about the property's profitability and Mr. King said that the building did not bring in as much money as was put into it in 2018. She asked if it would be profitable moving forward and the landlords said they did not anticipate running at a loss in future years.

Member Sullivan-Cheah asked the tenants if the landlords addressed their concerns, asked if they thought a 10% increase would be okay. Ms. Ngo said that she thought 10% was still excessive even with the concerns addressed.

Vice Chair Murray asked if the requested increase would cause a financial hardship and the tenants replied that they could afford it but did not think it was justified.

The parties were not able to reach an agreement and were asked to take their seats, as the Committee began deliberations.

Motion and second for an increase of \$90.00 (7.5%) effective Sept. 1, 2018 (Member Sullivan-Cheah and Vice Chair Murray). Motion passed 3-0.

**7-B. CASE 1061 – 1861 Poggi St., Apt. B305**

Tenants: Adalah Musaid and Amran Musaid

Landlords: Andy King and Shahzad Raufi

Proposed rent increase: \$157.00 (10.0%), effective September 1, 2018

Mr. King informed the Committee of additional work and improvements that he believed added value to the property.

Ms. Musaid said that she thought a 5% increase would be acceptable. She said the apartment was old, but she would rather have a lower rent increase than improvements

done to their unit, or the property in general, as they were currently struggling to pay the rent. Mr. Musaid said he thought the improvements themselves added value to the building, increasing its value for the owner, and that asking the tenants to then pay for the improvements would be a form of double-dipping.

Member Sullivan-Cheah asked if the tenants had a balcony and they said they did, and improvements were made to it, but it was still being worked on because it still had issues. He asked them if they were given a rent abatement while the work was being done and the tenants said no. Mr. Musaid added that the bedroom window was extremely drafty and needed attention.

Member Sullivan-Cheah asked how the requested increase would impact them financially. Vice Chair Murray asked the tenants what their source of income was. Mr. Musaid said he was a Lyft driver and Ms. Musaid worked at CVS. He added that they had an 11 year old child and an elderly mother to care for, and that they could not afford the requested 10% increase. The tenants said they do not utilize the property's amenities except for the laundry.

The parties could not come to an agreement and took their seats. The Committee began deliberations on the increase amount.

Motion and second for an increase of \$79.00 (5.0%) effective September 1, 2018 (Members Sullivan-Cheah and Griffiths). Motion passed 3-0.

Member Sullivan-Cheah motioned to amend the previous motion to make the effective date December 1, 2018. No second.

The Landlords were brought back to the table to answer additional questions.

Motion and second to amend the motion in agenda item 7-A to a \$0 increase from September 1, 2018 through November 30, 2018, followed by a \$90.00 increase from December 1, 2018 through August 31, 2019. (Member Griffiths and Vice Chair Murray). Motion passed 3-0.

Motion and second to amend previous motion in this agenda item (7-B) for a stepped increase of \$0 from September 1, 2018 through November 30, 2018, followed by a \$79.00 increase from December 1, 2018 through August 31, 2019. (Member Griffiths and Vice Chair Murray). Motion passed 3-0.

**7-C. CASE 1062 – 1843 Poggi St., Apt. C301**

Tenant: Tina Dabney, accompanied by Erica Walker

Landlords: Andy King and Shahzad Raufi

Proposed rent increase: \$151.10 (10.0%), effective September 1, 2018

Ms. Walker, daughter of tenant Tina Dabney, said that the improvements to the building did not benefit her mother's unit. She said Ms. Dabney was experiencing a financial hardship as her partner moved out and as a result she lost a considerable portion of her social security income. She said she was requesting no rent increase due to the financial hardship she is currently experiencing. She said her mom has lived at the unit for almost 20 years which is why the unit was below market rate. Ms. Dabney said her current roommate, who works as a waiter, pays half of the rent. Ms. Walker said they were working with Bay Area Legal Aid to try to reinstate some of her benefits. Ms. Walker said Ms. Dabney's roommate told her he would probably have to move out if the rent were increased. Ms. Dabney said she collects recyclable cans to make extra money but it did not substantially augment her income.

The parties took a seat and the Committee began deliberations.

Members Sullivan-Cheah and Griffiths expressed a belief that a 0% increase would be reasonable this year based on the facts presented by the tenant.

Motion and second for a \$0 increase effective September 1, 2018. (Members Griffiths and Sullivan-Cheah). Motion passed 3-0.

**7-E. CASE 1064 – 1825 Poggi St., Apt. A311**

Tenant: Maninderpal Singh

Landlords: Andy King and Shahzad Raufi

Proposed rent increase: \$164.25 (9.9%), effective September 1, 2018

Mr. Singh said no improvements have been made to the inside of his apartment. He said he does not have a storage unit like other tenants and was not given a clear answer by management as to why he does not have one. He said he does not have a balcony, but knows they improved other tenant's balconies. He said the increase does not pose a financial hardship, but does not think the requested amount correlates with any benefit that has inured to him.

Committee members asked him questions that allowed Mr. Singh to share further details, e.g., he has three other roommates, he just finished college, and was looking to enter a master's program. He said he was a software engineer and worked on contract. The tenant said he and his roommates would pay more rent for a renovated apartment. Mr. King invited him to apply for a newer apartment and said that a newer two-bedroom unit would rent from \$2,600 to \$2,900.

The parties took their seats and the Committee began deliberations.

Member Griffiths noted that he thought a 7.5% increase was a reasonable as the landlords did not provide a reason for the 10% figure or demonstrate any financial

hardship if they did not get the full amount they were requesting. He acknowledged that the requested increase did not pose a hardship for the tenant.

Motion and second to extend the time for 5 minutes (Vice Chair Murray and Member Sullivan-Cheah). Motion passed 3-0.

Motion and second for a \$0 increase from September 1, 2018 through November 30, 2018, followed by a \$135.00 increase from December 1, 2018 through August 31, 2019. (Member Griffiths and Vice Chair Murray). Motion passed 3-0.

Motion and second to extend acceptance of new cases after 9:00 p.m. (Member Griffiths and Vice Chair Murray). Motion passed 3-0.

**7-F. CASE 1067 – 1845 Poggi St., Apt. D318**

Tenant: Veronika Jones

Landlords: Andy King and Shahzad Raufi

Proposed rent increase: \$123.70 (10.0%), effective September 1, 2018

Mr. King said that the management actively works with tenants to resolve maintenance issues such as mold.

Ms. Jones said she has lived at the property for over 25 years and most appliances in her unit had not been changed since she moved in. She said the gym and other amenities the landlords added are not of use to her. Ms. Jones said she works as an HR consultant and sports therapist on a per-project basis, and budgets for increases each year. She said she budgeted for a 6% increase this year.

Ms. Jones said she is the sole occupant of the unit and is solely responsible for the rent. She said an increase of 10% would pose a hardship, as she is currently three months into a six-month contract. She said an increase of 6-7% or around \$90 would be acceptable to her. The landlords said they would agree to an increase of \$90.00.

The parties reached an agreement of a \$0 increase from September 1, 2018 through November 30, 2018, followed by a \$90.00 increase from December 1, 2018 through August 31, 2019. As the parties reached an agreement, the Committee made no decision.

**7-G. CASE 1068 – 1825 Poggi St., Apt. A206**

Tenant: Tsegai Tensae

Landlords: Andy King and Shahzad Raufi

Proposed rent increase: \$147.00 (10.0%), effective September 1, 2018

Mr. Tensae said that the rent increases he receives outpace increases in his income and there are ongoing maintenance issues that have gone unaddressed at his unit. One such

problem was that the windows leak when it rains, and neither the old or new landlords have fixed them. He said he is a single father who supports two sons who sometimes live with him, one of whom is in college and the other a recent graduate. Mr. Tensae said he works in freight delivery services for Old Dominion and business was slowing down, which affects how many hours of work he can get. He said the requested increase would pose a financial hardship, adding he could afford a \$30 increase, as he was already paying 50% of his income toward rent.

Mr. King said he would agree to a 5% increase and Mr. Tensae said he was not sure he could afford it. He said he could afford a \$40 increase to \$1,510.

As the parties could not come to an agreement, the Committee began deliberations.

Motion and second for a \$0 increase from September 1, 2018 through November 30, 2018, followed by a \$40.00 increase from December 1, 2018 through August 31, 2019 (Vice Chair Murray and Member Griffiths). Motion passed 3-0.

#### **7-D. CASE 1063 – 1825 Poggi St., Apt. A311**

No Committee review. The Committee did not have time to call this case. It will be continued to a meeting on November 27, 2018.

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

Alameda resident Rasheed Shahbazz asked why the cases heard at this meeting were postponed from a previous meeting. Staff and Committee members clarified the purpose of public comment and invited the speaker to contact staff during normal business hours to find an answer to his question.

#### **9. MATTERS INITIATED**

None.

#### **10. ADJOURNMENT**

- a. The meeting adjourned at 9:50 p.m.

Respectfully Submitted,

***Draft Until Approved***

RRAC Secretary  
Grant Eshoo

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