

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

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 6:38 p.m.

Present: Vice-Chair Landess, Members Griffiths and Friedman

Absent: Chair Sullivan-Sariñana

Vacancy: Housing Provider member

Program Administrator staff: Jennifer Kauffman

City Attorney staff: Michael Roush

2. AGENDA CHANGES

- a. Staff requested that the Committee address item 7-Z first to allow for translation services. Motion and second (Griffiths and Friedman). Approved by unanimous consent.

3. STAFF ANNOUNCEMENTS

- a. Staff explained the schedule for the evening, noting where to find the meeting agenda and procedures for public comment. Staff noted there is translation at tonight's meeting and the Committee will modify logistics, as needed.

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

- a. Angie Watson-Hajjem of ECHO Housing spoke about ECHO's Fair Housing and tenant-landlord counseling services.

5. CONSENT CALENDAR

- a. Approval of the Minutes of the January 24, 2017 Special Meeting.
Motion and second to continue this item to a future Committee meeting when three members who attended the January 24, 2017 meeting are present. (Griffiths and Friedman).
Approved by unanimous consent.
- b. Approval of the Minutes of the February 6, 2017 Regular Meeting.
Motion and second (Friedman and Griffiths). Approved by unanimous consent.

6. UNFINISHED BUSINESS (None)

7. NEW BUSINESS

7-Z. Case 691.1 – 1526 Verdi St., Unit E

Tenant: Khurelbaatar Janchivdorj, Enkhlen Khurelbaatar (Providing translating)

Landlord: Robert Cliff, Cathy Cliff

Proposed rent increase: \$300 (23%), effective date delayed until RRAC review

Staff announced that the landlord submitted additional documents after the agenda was published. These documents are available in the agenda packet at the back of the room. Staff also stated that the tenant's daughter is providing translation for the evening and professional phone translation will be available, if needed.

The tenant, Khurelbaatar Janchivdorj, explained that this increase would pose a significant financial burden on his family. He stated that he had recently lost his job and does not have a stable income. He acknowledged there had been seismic improvements to the building and that there had not been a rent increase for four years. He proposed a rent increase of \$200.00 (15.4%), explaining that he is searching for employment and he has always paid rent on time.

Staff asked if Mr. Khurelbaatar preferred to continue translation with his daughter, Ms. Khurelbaatar, or if he would prefer to use a professional translator via phone. Mr. Khurelbaatar confirmed he preferred translation with his daughter and staff ended the phone call with the professional translator.

The landlord, Mr. Cliff, stated that the unit's rent is below market rate. He believed that market rate for a comparable unit is near \$1,800. He explained that there had been costly capital improvements and repairs to the unit, such as seismic upgrades, securing walls, and repairing leaks. Mr. Cliff also noted that the business is currently operating at a loss. He explained that the income from this unit is an essential part of his retirement income. Mr. Cliff stated that \$1,600.00 was that lowest rent increase he could accept.

Vice Chair Landess noted that the parties may not have had the chance to discuss the rent increase in person since they live in different cities. She emphasized that this meeting is an opportunity for the parties find an arrangement that works for both of them.

Member Friedman noted that the tenant has been very transparent about what his family can afford.

Member Griffiths proposed a stepped rent increase.

Member Friedman suggested a stepped rent increase of \$200.00, followed by a \$100.00 increase some months later.

The parties discussed the timing of the rent increase and a potential stepped increase the following year. The landlord stated that if the rent increased \$300 this year, he expected to raise rent no more than 5% the following year.

The parties agreed to a \$300 rent increase with \$100 delay for 10 months. The landlord stated he intends to raise the rent no more than 5% the following year.

Member Griffiths recommended that the Committee take action to confirm the parties' agreement of a rent increase of \$300.00 (base rent \$1,300 to \$1,600) effective April 1, 2017, with \$100 of the

\$300 deferred until January 1, 2018, i.e., effective April 1, 2017 the rent would be increased from \$1300 to \$1500 and on February 1, 2017, the rent would increase to the full \$1600. Motion and second (Griffiths, Friedman). Approved by unanimous consent.

7-A. Case 684.1 – 1815 Broadway, Unit B

Tenant: Latricia Amadeo

Landlord: Karry Kelley-Cahill, Sean Kelley-Cahill

Proposed rent increase: \$100 (4.9%), effective date February 1, 2017

The tenant, Ms. Amadeo, stated that she does not believe a rent increase is warranted because there are maintenance issues at the property. Specifically, she noted that she did not have a working heater for much of the year. She explained that she would be open to a rent increase if the landlord was responsive to outstanding maintenance issues.

The landlord, Mr. Kelley-Cahill, stated that the unit's rent is below the market rent for comparable units. The landlord explained that this increase is related to covering the costs of taxes and recent major repairs at the property. He expressed that he is good landlord and involved in the Alameda community. Additionally, the landlord explained that he was responsive to maintenance issues when he was notified of the issue.

After discussion between the parties, they were unable to reach an agreement as to the amount of the rent increase.

There was public comment on the agenda item.

Public Comment

- Speaker: Heather Reed
The speaker stated that community participation is crucial to the City's Rent Stabilization Ordinance. She emphasized the importance for landlords and tenants to listen to each other and to avoid having the review become an adversarial meeting.

The Committee began its deliberations. :

- Member Friedman stated that he does not support any increase because the landlord was not willing to participate in the discussion in a meaningful way.
- Vice-Chair Landess stated that the tenant is within her right to request a review of the rent increase and she also believes that the \$100 rent increase is reasonable. She recommended an increase of \$100.

- Member Griffiths acknowledged that the landlord has the authority to impose the \$100 rent increase because the percentage is below 5%. He recommended that the rent increase be \$100.

Motion and second to approve a rent increase of \$100.00 (Griffiths and Landess). Vice-Chair Landess and Member Griffiths voted to approve the motion. Member Friedman voted against the motion and therefore the motion did not pass.

The Committee did not reach a decision as to the amount of the rent increase but because the rent increase was below 5%, any decision the Committee would have made is non-binding.

7-B. Case 741 – 1220 Park Ave., Unit C

Tenant: Barbara Maerz, Eric Strimling

Landlord: Harold R. Vanderlaan

Proposed rent increase: \$700 (43.9%), effective April 1, 2017

The tenant, Ms. Maerz, stated that the maximum reasonable monthly increase would be \$79.75 (5.0%). She stated that she has lived at the property for over 26 years and is member of the Alameda community. Ms. Maerz expressed that she has been a good tenant by paying rent on time and quickly notifying the landlord about maintenance issues. She stated that the rent increase process has been stressful and intimidating. She explained that the \$700.00 increase is a financial burden for her. She also explained that the quality of the unit has not been upgraded to the quality of market rate units; as such, she does not believe such a large increase is warranted.

The landlord, Mr. Vandelann, stated that his father purchased the property as an investment. He explained that the property's income is primarily used to cover his mother's costly medical expenses. He expressed that he is not profiting from this rent increase, rather he is looking to support his mother with her medical payments. Additionally, the rent increase will help to cover the costs of maintenance, such as carpet replacement and plumbing repairs. He stated that while his parents managed the property, the unit's rent was not increased for many years. He noted that the property manager commented that the unit's rent was below market rate. Mr. Vandelann expressed that even with the rent increase, the unit's rent would remain below market rate. He suggested implementing a stepped increase of 14.6% over three years. As another option, the landlord offered that the tenant could sublease the two available bedrooms in the apartment.

Ms. Maerz stated that she would not feel comfortable adding a stranger as a subtenant, but might be open to adding a friend or family member in the future, though does not currently know a friend or family member looking for housing. She also explained that she is not open to a stepped increase.

Eric Strimling, tenant representative, referenced the landlord's submitted documents and noted that the landlord states his expenses have increased 5% and his rental income has increased 30%. Mr. Strimling commented that this data demonstrates the landlord is already receiving sufficient profit from his property; hence, the proposed \$700 increase is not warranted. He urged the Committee to consider the tenant's perspective and not recommend an increase that is halfway between the tenant's and landlord's offers.

The tenant offered to pay a \$127.60 (8%) rent increase.

The landlord noted that the moratorium last year limited the amount he could raise the rent. He expressed his concern with keeping ahead of his mother's medical bills and upcoming repairs. He restated that the tenant has the option to have a roommate. With that said, he agreed he would accept an 8% rent increase.

There was public comment on the agenda item.

Public Comment

- Speaker: Pamela Jordan

The speaker stated that she is a resident of Alameda and is speaking to address several concerns that have arisen for her while listening to the conversation between the landlord and tenant. She noted that the tenant's rent has increased about 27.6% over the previous three years, which is greater than 5% each year. Additionally, she noted that it is a best practice to replace carpets every 10 years and it is reasonable for the tenant to request carpet repairs after 25 years of residency. She requested the Committee consider the guidelines of the Ordinance and limit the rent increase to 5%.

- Speaker: Heather Reed

The speaker stressed that long-term tenants are integral to the community. Additionally, she noted that she questions if offering the tenant an option to have roommate is reasonable for the current situation.

The Committee moved to confirm the parties' agreement of a \$127.60 (8.0%) rent increase, effective April 1, 2017. Motion and second (Griffiths and Landess). Approved by unanimous consent.

7-C. Case 699 – 300 Westline Dr., Unit A105

Proposed Rent Increases:

Month to month offer - \$305.00 (16.0%); *Under review*

12 month offer - \$90.00 (4.7%); *No review*

Effective date: 4/1/2017

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 702 – 310 Westline Dr., Unit B112

Proposed Rent Increases:

Month to month offer - \$284.00 (16.3%); *Under review*

12 month offer - \$84.00 (4.8%); *No review*

Effective date: 4/1/2017

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-E. Case 705 – 344 Westline Dr., Unit C124

Proposed Rent Increases:

Month to month offer - \$365.00 (11.9%); *Under review*

12 month offer - \$59.00 (1.9%); *No review*

Effective date: 3/21/2017

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-F. Case 704 – 344 Westline Dr., Unit C117

Proposed Rent Increases:

Month to month offer - \$302.00 (17.8%); *Under review*

12 month offer - \$82.00 (4.8%); *No review*

Effective date: 4/1/2017

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-G. Case 708 – 344 Westline Dr., Unit C219

Proposed Rent Increases:

Month to month offer - \$330.00 (16.8%); *Under review*

12 month offer - \$98.00 (5.0%); *No review*

Effective date: 3/23/2017

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

7-H. Case 709 – 344 Westline Dr., Unit C327

Proposed Rent Increases:

Month to month offer - \$358.00 (16.2%); *Under review*

12 month offer - \$90.00 (4.7%); *No review*

Effective date: 4/1/2017

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-I. Case 714 – 909 Shoreline Court, Unit D314

Proposed Rent Increases:

Month to month offer - \$284.00 (13.9%); *Under review*

12 month offer - \$39.00 (1.9%); *No review*

Effective date: 3/2/2017

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

7-J. Case 718 – 915 Shoreline Court, Unit E201

Proposed Rent Increases:

Month to month offer - \$352.00 (16.3%); *Under review*

12 month offer - \$104.00 (4.8%); *No review*

Effective date: 3/17/2017

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-K. Case 719 – 915 Shoreline Court, Unit E204

Proposed Rent Increases:

Month to month offer - \$358.00 (16.5%); *Under review*

12 month offer - \$106.00 (4.9%); *No review*

Effective date: 3/12/2017

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-L. Case 720 – 915 Shoreline Court, Unit E209

Proposed Rent Increases:

Month to month offer - \$409.00 (15.7%); *Under review*

12 month offer - \$130.00 (5.0%); *No review*
Effective date: 3/30/2017

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

7-M. Case 721 – 915 Shoreline Court, Unit E215

Proposed Rent Increases:

Month to month offer - \$330.00 (16.0%); *Under review*
12 month offer - \$98.00 (4.8%); *No review*
Effective date: 3/24/2017

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-N. Case 722– 915 Shoreline Court, Unit E335

Proposed Rent Increases:

Month to month offer - \$334.00 (15.0%); *Under review*
12 month offer - \$108.00 (4.9%); *No review*
Effective date: 3/14/2017

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-O. Case 724 – 941 Shoreline Court, Unit F202

Proposed Rent Increases:

Month to month offer - \$404.00 (15.3%); *Under review*
12 month offer - \$129.00 (4.9%); *No review*
Effective date: 3/7/2017

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

7-P. Case 725 – 941 Shoreline Court, Unit F211

Proposed Rent Increases:

Month to month offer - \$301.00 (13.6%); *Under review*
12 month offer - \$44.00 (2.0%); *No review*
Effective date: 3/13/2017

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 726 – 941 Shoreline Court, Unit F307

Proposed Rent Increases:

Month to month offer - \$355.00 (16.2%); *Under review*

12 month offer - \$107.00 (4.9%); *No review*

Effective date: 3/21/2017

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

7-R. Case 727 – 941 Shoreline Court, Unit F329

Proposed Rent Increases:

Month to month offer - \$292.00 (14.8%); *Under review*

12 month offer - \$39.00 (2.0%); *No review*

Effective date: 3/25/2017

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-S. Case 728 – 937 Shoreline Court, Unit G110

Proposed Rent Increases:

Month to month offer - \$292.00 (18.4%); *Under review*

12 month offer - \$79.00 (5.0%); *No review*

Effective date: 4/1/2017

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-T. Case 731 – 941 Shoreline Court, Unit F213

Proposed Rent Increases:

Month to month offer - \$342.00 (16.4%); *Under review*

12 month offer - \$101.00 (4.9%); *No review*

Effective date: 3/26/2017

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

7-U. Case 732 – 941 Shoreline Court, Unit F218

Proposed Rent Increases:

Month to month offer - \$396.00 (15.3%); *Under review*

12 month offer - \$126.00 (4.9%); *No review*

Effective date: 3/26/2017

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-V. Case 742 – 2031 Eagle Ave., Unit B

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 5.1-10%.

7-W. Case 752 – 1725 Eagle Ave., Unit B

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase above 10%.

7-X. Case 754 – 1907 Union Street

Committee review was postponed two weeks to the March 20, 2017 Committee meeting.

7-Y. Case 755 – 1729 Eagle Ave., Unit A

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 5.1-10%.

7-AA. Case 758 – 114 Keil Bay

Committee review was postponed two weeks to the March 20, 2017 Committee meeting.

7-AB. Case 760 – 2152 Alameda Ave.

No Committee review. Prior to the RRAC meeting, the tenant and landlord agreed to a rent increase between 5.1-10%.

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

No additional public comment.

9. MATTERS INITIATED

- a. Staff announced that the next Committee meeting is scheduled for March 20, 2017. Staff noted that the Committee typically schedules an additional meeting for the third Monday of the month when there is a high volume of submissions.
- b. The Committee asked when the new landlord Committee member will be nominated. City Attorney staff confirmed that the new member will likely be nominated and attend Committee meetings starting in April.
- c. Member Friedman expressed appreciation for the night's public speakers.

10. ADJOURNMENT

The meeting was adjourned at 9:26 p.m.

Respectfully submitted,



RRAC Secretary

Jennifer Kauffman

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