

**Minutes of a Special Meeting of the
Rent Review Advisory Committee
Wednesday, December 12, 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 Chiu and Sullivan-Cheah

Absent: None

Program staff: Greg Kats, Grant Eshoo

City Attorney staff: John Le

2. AGENDA CHANGES

Staff informed the Committee that the parties in Agenda Items 7-C, 7-D, and 7-F had come to agreements prior to the meeting.

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 1112 – 1861 Poggi St., Apt. B202

Tenant: Steven Kim

Landlord: Andy King

Proposed rent increase: \$137.00 (9.9%), to a total rent of \$1,515, effective October 1, 2018

Mr. King opened by introducing the ownership's improvements to the property as a basis for requesting the rent increases.

Mr. Kim acknowledged the improvements to the property have improved the aesthetics of the property, but were mostly cosmetic except for the structural, earthquake-related improvements. Mr. Kim said he is a federal employee whose salary increases are usually very modest compared to the 10% increase the landlord was requesting. He said previous annual increases were about 5%. He said that the management office offered

him a gift certificate to encourage an agreement regarding the rent increase prior to the RRAC meeting. He said one of the improvements, a gate, makes a lot of noise when it opens and closes, which was hard to get used to. The same gate, he continued, also made it difficult for him to get out of his parking spot. He said the improvements made were not worth it to him to pay more rent.

Vice Chair Murray asked what he did for work, and Mr. Kim said he worked for the Social Security Department. She asked if he lived alone and he said he did. She asked what impact the requested increase would have on his budget, and he said he would have to eliminate things in his budget. She asked if the increase would cut into his ability to purchase necessities and he replied that it probably would not but it would interfere with his quality of life by having to relinquish certain hobbies.

Member Sullivan-Cheah asked how much of an increase he could afford. Mr. Kim asked Mr. King if they planned on raising the rent each year moving forward and he replied that it would depend on market conditions at the time of future increases. Mr. Kim said he could afford an increase of \$100.

Vice Chair Murray asked if a \$100 increase would be acceptable to Mr. King and he replied that he would like to continue to ask for the full \$137 increase.

The parties took a seat and the Committee deliberated.

Motion and second for a \$0 increase from 10/1/18 to 12/31/18, followed by a \$137 increase effective 1/1/19-9/30/19 (Members Sullivan-Cheah and Chiu). Motion passed 3-0.

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

Tenants: Larry Padriquilla and Marty Montejo

Landlord: Andy King

Proposed rent increase: \$154.00 (10.0%), to a total rent of \$1,697.50, effective October 1, 2018

Ms. Montejo stated that she had requested improvements to the inside of the unit, as there were many things that needed to be improved or replaced, such as the carpets and the kitchen cabinets. She said the requested increase would stretch their budget, as Mr. Padriquilla was disabled and had limited income. She added the ramp into the parking lot was too steep and had damaged her car's bumper.

Ms. Montejo said that if the increase was reduced to 5% it would allow her to purchase needed things, such as new appliances. Mr. Padriquilla also voiced a concern about a 10% increase and compounding over the years, which he feared might dislocate them.

Vice Chair Murray asked the tenants what they did for work and Ms. Montejo said she was a home care aid working on contract, and Mr. Padriquilla said he's on permanent disability after suffering damage to his hand at his job at Tesla; he said he's looking into future employment options.

Mr. King offered an increase of \$80 and the tenants agreed, effective 1/1/19, with a \$0 increase from 10/1/18 to 12/31/18.

7-C. CASE 1118 – 1843 Poggi St., Apt. C209

No Committee review. The parties reached an agreement regarding the amount of the increase prior to the meeting.

7-D. CASE 1119 – 1843 Poggi St., Apt. C303

No Committee review. The parties reached an agreement regarding the amount of the increase prior to the meeting.

7-E. CASE 1120 – 1843 Poggi St., Apt. C307

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 1121 – 1845 Poggi St., Apt. D116

No Committee review. The parties reached an agreement regarding the amount of the increase prior to the meeting.

7-G. CASE 1123 – 1845 Poggi St., Apt. D204

Tenant: Ganeshwar Chand

Landlord: Andy King

Proposed Rent Increase: \$142.75 (10.0%), to a total rent of \$1,576, effective October 1, 2018

City Attorney staff recommended the agenda item be tabled. Motion to continue to a future meeting (Vice Chair Murray and Member Sullivan-Cheah). Motion passed 3-0.

7-H. CASE 1124 – 1845 Poggi St., Apt. D219

Tenant: Long Nguyen

Landlord: Andy King

Proposed Rent increase: \$167.00 (10.0%), to a total rent of \$1,841, effective October 1, 2018

Mr. Nguyen said that he was a cosigner and the authorized representative for his mother, the tenant-in-residence at the subject property. He agreed to provide written documentation that he has the authority to represent his mother, Ngoc Duong, in her absence at the hearing.

Mr. Nguyen expressed concern that the landlord has been collecting the increased amount in November and December and serving the tenants with Three Day Notices. He said the increase requested creates a financial burden, as his mother cannot pay the rent herself, and he must help her financially as well as meet his own family's financial needs.

Member Sullivan-Cheah asked what he did for work, and he said he processes cases for the County of Alameda. Mr. Nguyen noted that no improvements were made to the interior of the apartment.

Vice Chair Murray asked if his mother could live with him or other family members and Mr. Nguyen said she could not.

Vice Chair Murray asked how much of an increase the tenant could afford and he said about \$100. She asked Mr. King if that was something he would agree to and he said he would like the Committee to make a decision.

The parties took their seats and the Committee deliberated.

Member Sullivan-Cheah noted that the tenant's rent was on the high end for a one-bedroom apartment and thought the tenant's offer of a \$100 increase was reasonable.

Vice Chair Murray and Member Chiu echoed Member Sullivan-Cheah's observation and belief that a \$100 increase was reasonable.

Motion and second for an increase of \$0 for October-December 2018, followed by an increase of \$100, effective January-September 2019 (Members Sullivan-Cheah and Chiu). Motion passed 3-0.

8. PUBLIC COMMENT, NON-AGENDA ITEMS, NO. 2.
None.

9. MATTERS INITIATED

Member Sullivan-Cheah asked if a vote could be scheduled for a new Chair and Vice Chair. Staff informed the Committee a vote would be place on the agenda for the Committee's January 9, 2019 meeting.

10. ADJOURNMENT

- a. The meeting adjourned at 9:00 p.m.

Respectfully Submitted,

RRAC Secretary
Grant Eshoo

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