



City of San Leandro

Civic Center
835 East 14th Street
San Leandro, California

Minutes Rent Review Board

Robert Schwartz, Non-Resident Landlord, Chair
Mia Ousley, Homeowner, Vice-Chair
Lizzie Brown, Tenant
Karyl Lee-Figueroa, Tenant
Vacant, Resident Landlord

Tuesday, March 24, 2015

7:00 PM

City Council Chambers

1. ROLL CALL

Meeting called to order at 7:02 p.m.

Present 4 - Schwartz, Ousley, Lee-Figueroa, and Brown. Absent 0. Resident Landlord seat is vacant.

2. PUBLIC COMMENTS

John Sullivan, a landlord in San Leandro and a member of the Rental Housing Association serving rental property owners and operators in Southern Alameda County, briefly provided a history of the creation of San Leandro's Rent Review Ordinance. He also stated that the \$75 rent increase threshold to be eligible for a rent review is now outdated and no longer appropriate today. He suggested using a 10% rent increase benchmark instead.

3. MINUTES

3.A. Minutes of meeting of February 24, 2015

Motion to approve Minutes of February 24, 2015 Rent Review Board Meeting. A motion was made by Board Vice Chair Ousley, seconded by Board Chair Schwartz. Minutes approved with 4 ayes (Schwartz, Ousley, Lee-Figueroa, and Brown), 0 nay.

4. CORRESPONDENCE

Rent Review Board Secretary Hernandez explained that there are correspondence. However, it would be more appropriate to distribute the correspondence when the cases come up.

5. HEARINGS

- 5.A. Rent Review Board Cases for:
- 2014-32 – 350 Lafayette Avenue #2
 - 2014-33 – 65 Thornton Street #107
 - 2014-34 – 755 Fargo Avenue
 - 2014-36 – 1198 Jackson Street #206
 - 2014-37 – 709 Fargo Avenue
 - 2014-38 – 123 Preda Street #1

Board Secretary Hernandez explained the following:

Rent Review Board Case #2014-32 - 65 Thornton Street #107 has been postponed until an April Rent Review Board Hearing. The landlord was not available for tonight's hearing, and both the landlord and tenant were both agreeable to an April hearing.

Rent Review Board Case #2014-38 - 123 Preda Street #1 came to a mutually satisfactory resolution an hour before tonight's hearing.

Board Chair Schwartz opened the hearing for Rent Review Board Case #2014-32 - 350 Lafayette Avenue #2. The tenant Mr. Vega was not present. The landlord Phillip Wang was present.

Board Vice Chair Ousley motioned to move this case at the end of the meeting, seconded by Board Member Brown. Motion approved with 4 ayes (Schwartz, Ousley, Lee-Figueroa, and Brown), 0 nay.

Board Chair Schwartz explained that if the tenant Mr. Vega does not show up at the end of the meeting, the case will be resolved in favor of the landlord.

Board Chair Schwartz opened up the hearing for RRB #2014-35 - 755 Fargo Avenue and RRB #2014-37 - 709 Fargo Avenue (both units are in the same apartment complex). Board Secretary Hernandez announced that the landlord for this apartment complex sent an email an hour before tonight's hearing informing the City that he was stuck in Vacaville for a plumbing emergency.

Board members discussed how to proceed with these cases (move the cases at the end after all the other cases are heard; postpone the hearings until next month; or invalidate the rent increases).

Assistant City Attorney Jennifer Faught explained that the Rent Review Ordinance stipulates that the tenant and landlord may not be absent without good cause, and the Board can assess whether the emergency plumbing is "good cause" for the landlord to be absent at tonight's hearing.

Board Secretary Hernandez explained that the Board may recommend that the rent increase not take effect on April 1st since the hearings have not occurred, but emphasized that the Board's recommendation is not binding; therefore, it is not enforceable, and that the landlord can enforce the rent increase if he chooses to.

Motion to invalidate the rent increases was made by Board Chair Ousley, seconded by Board Member Lee-Figueroa. Motion approved with 4 ayes (Schwartz, Ousley, Lee-Figueroa, and Brown), 0 nay. Board Chair Schwartz emphasized that the rent increases are invalid, and that the landlord must renotice his tenants in order for the cases to be heard again.

Upon the request of Mr. Leo West (tenant at 755 Fargo Avenue), Board Secretary Hernandez explained that a written correspondence describing what transpired during this hearing will be sent to the landlord as well as to Mr. West and Mr. Marco Ortiz (tenant at 709 Fargo Avenue).

Board Chair Schwartz opened up the hearing for RRB #2014-36 - 1198 Jefferson Street #206.

The tenant Shafiqah Goins requested that her rent increase only be increased by \$75.

The representative for the landlord Michelle Davis explained that Ms. Goins has only received 2.6% rent increase in 4 years after paying \$1,200 for 3 years and receiving a \$25 rent increase last year. She explained that with the \$150 rent increase, Ms. Goins' unit is \$450 below market. She also added that 2 other similar 2-bedrooms received \$150 rent increases, but Ms. Goins only received a \$100 rent increase. She also explained that Ms. Goins' unit was completely upgraded prior to Ms. Goins moving in back in 2011 so no upgrade is needed for her unit. She also explained that Ms. Goins has been allowed by the resident manager to sublet one of her rooms. When asked whether she would consider a \$75 rent increase instead of a \$100 rent increase, Ms. Davis answered no because it would not be fair to the owners.

Motion to close public hearing. A motion was made by Board Vice Chair Ousley, seconded by Board Chair Schwartz. Motion approved with 4 ayes (Schwartz, Ousley, Lee-Figueroa, and Brown), 0 nay.

Board members began discussion.

Board Chair Schwartz stated that he supports the rent increase.

Board Vice Chair Ousley also stated that she supports the rent increase. She also suggested that perhaps Ms. Goins may consider downsizing to a small unit, which would be a more affordable.

Board Member Brown stated that she supports a \$75 rent increase.

Motion for the \$100 rent increase to stand was made by Board Vice Chair Ousley, seconded by Board Chair Schwartz. Motion approved with 3 ayes (Schwartz, Ousley, and Lee-Figueroa), 1 nay (Brown).

The Rent Review Board returned to Rent Review Board Case #2014-32 - 350 Lafayette Avenue #2 again. The tenant Mr. Vega still was not present. Motion to dismiss the case and have the rent increase take effect was made by Board Vice Chair Ousley, seconded by Board Chair Schwartz. Motion approved with 4 ayes (Schwartz, Ousley, Lee-Figueroa, and Brown), 0 nay.

Before leaving, the landlord Phillip Wang requested to make a comment. He commented that Mr. Vega has not had a rent increase in 17 years.

6. MISCELLANEOUS

None.

7. BOARD MEMBER COMMENTS

Board Member Lee-Figueroa stated that people in small overcrowded apartments

cannot afford to move. The Board must communicate with Council about updating the Rent Review Ordinance.

Board Vice Chair Ousley stated that she wants to gather data on how many are leaving because of their rent increases.

Assistant City Attorney Faught suggested that the Board's discussion be agendized at the next month's Rent Review Hearing.

Motion to agendize their discussion on the topics to include in the year-end report to City Council was made by Board Vice Chair Ousley, seconded by Board Chair Schwartz. Motion approved with 4 ayes (Schwartz, Ousley, Lee-Figueroa, and Brown), 0 nay.

8. STAFF COMMENTS

Board Secretary Hernandez stated that there are already cases lined up for the April 28th Rent Review Board hearing.

9. ADJOURN

Motion to adjourn by Board Member Lee-Figueroa, seconded by Board Vice Chair Ousley. Motion approved with 4 ayes (Schwartz, Ousley, Lee-Figueroa, and Brown), 0 nay.

Meeting adjourned at 8:20 p.m.