

City of San Leandro

Civic Center 835 East 14th Street San Leandro, California

Minutes

Rent Review Board

Daniel Johnson, Landlord Sandra Johnson Simon, Tenant Mia Ousley, Homeowner Maria Luisa Penaranda, Tenant Thomas Silva, Landlord

Tuesday, November 17, 2015

7:00 PM

City Council Chambers

SPECIAL MEETING

1. ROLL CALL

Meeting called to order at 7:05 p.m.

Present 5 - Johnson, Simon, Ousley, Penaranda, and Silva.

2. PUBLIC COMMENTS

Richard Becker stated that the Rent Review Board needs to help the renters.

Guillermo Elenes stated that the City should consider passing "Just Cause Eviction".

Richard Mellor advocated for rent control.

Laura Clark stated that rents are increasing but not their salaries.

Erminia Pena asked for rent control.

Virginia Madsen stated that she worries about being forced out in exchange for profits.

Nyree Reyes stated that the City should consider rent control.

Candace Parker directly asked Board Chair Silva how he can be the Rent Review Board Chair and be President of the Rental Housing Owners Association at the same time and how San Leandro residents can trust him.

Diana Williams supported rent control.

Cristina Briano supported rent control and asked that the \$75 rent increase threshold not be eliminated.

Ricardo Hernandez stated that rent increases are forcing out San Leandro residents.

3. MINUTES

3.A Minutes of meeting of October 27, 2015

Motion to approve Minutes of October 27, 2015 Rent Review Board Meeting. A motion was made by Board Member Ousley, seconded by Board Member Johnson. Minutes approved with 5 ayes (Johnson, Simon, Ousley, Penaranda, and Silva), 0 nay.

4. CORRESPONDENCE

None.

5. HEARINGS

Board Chair Silva asked the landlords of and tenants at 39 Estabrook Street Apartments and 1119 Coburn Court Apartments to proceed to the Sister Cities Gallery to discuss their rent disputes while the Rent Review Board discuss the other cases.

5.A. Continuance of RRB2015-18 - 13885 Doolittle Drive #203

Board Chair Silva announced that this case was mutually resolved between the tenant and landlord and will not be heard at tonight's Rent Review Board Hearing.

5.B RRB2015-04 - 14950 Zelma Street #18

Ms. LaShon Philson is the tenant at 14950 Zelma Street #18. She questioned why her landlord is increasing her rent by \$345 after just moving in a year ago. She also explained that the original rent increase she received was \$200.

Board Chair Silva asked Ms. Philson what repairs she needs done in her unit. Ms. Philson stated that she has a leaking bathroom faucet, the circuitry in her electric stove is broken, and that she has mold on her bedroom windows.

Mr. Blane Warhurst is the owner of 14950 Zelma Street Apartments. He stated that Ms. Philson's rent is under market. He explained that he recently spent \$100k in earthquake retrofit work. He also stated that Ms. Philson has not performed under her lease by having a tenant who is not on the rental agreement living with her.

Board Member Ousley asked Mr. Warhurst how many of the 30 units in the complex received 25% rent increases. Mr. Warhurst explained 70-80% of the units received similar increases because these units are \$600 below market.

Ms. Philson and Mr. Warhurst agreed to mutually settle their rent dispute. Their agreement includes the following: 1) Resident Manager Issi Mailou will repair the bathroom sink, electric stove, mold in window, and common areas; 2) Ms. Philson's fiancee Rupert Jones, who is not on the lease but has been living with her, will provide proof of residency at another address and will vacate by December 1st (and Ms. Philson's security deposit will not increase); 3) Ms. Philson's rent increase will be \$200 instead of \$345 effective December 1st (rent will be \$1,600 instead of \$1,745); and 4) Ms. Philson agrees to strictly adhere to the rental agreement provisions of her lease agreement.

5.C RRB2015-26 - 39 Estabrook Street #1

Board Chair Silva announced that at the request of both tenant and landlord, this case will be continued at the December 15, 2015 Rent Review Board Hearing to provide both tenant and landlord more time to discuss their rent dispute.

5.D RRB2015-27 - 39 Estabrook Street #4

Board Chair Silva announced that at the request of both tenant and landlord, this case will be continued at the December 15, 2015 Rent Review Board Hearing to provide both tenant and landlord more time to discuss their rent dispute.

5.E. RRB2015-28 - 39 Estabrook Street #10

Board Chair Silva announced that at the request of both tenant and landlord, this case will be continued at the December 15, 2015 Rent Review Board Hearing to provide both tenant and landlord more time to discuss their rent dispute.

5.F. RRB2015-29 - 39 Estabrook Street #11

Board Chair Silva announced that at the request of both tenant and landlord, this case will be continued at the December 15, 2015 Rent Review Board Hearing to provide both tenant and landlord more time to discuss their rent dispute.

5.G. RRB2015-30 - 39 Estabrook Street #2

Board Chair Silva announced that at the request of both tenant and landlord, this case will be continued at the December 15, 2015 Rent Review Board Hearing to provide both tenant and landlord more time to discuss their rent dispute.

5.H. RRB2015-32 - 39 Estabrook Street #5

Board Chair Silva announced that at the request of both tenant and landlord, this case will be continued at the December 15, 2015 Rent Review Board Hearing to provide both tenant and landlord more time to discuss their rent dispute.

5.I. RRB2015-35 - 39 Estabrook Street #7

Board Chair Silva announced that at the request of both tenant and landlord, this case will be continued at the December 15, 2015 Rent Review Board Hearing to provide both tenant and landlord more time to discuss their rent dispute.

5 J RRB2015-34 - 1486 Santa Rosa Street

Ms. Karen Foster is the tenant at 1486 Santa Rosa Street. She has been residing in her unit for 21 years. She stated that she cannot afford the \$300 rent increase. When asked what happened by Board Chair Silva, Ms. Foster explained that she believes the whole situation started when she informed her landlord that she would be vacating her unit because the rent kept going up.

Ms. Terry Conte is the owner of Ms. Foster's apartment complex. She stated that Ms. Foster was adamant that she was leaving. Consequently, she provided Ms. Foster a 5-day notice to enter her unit in order to plan for renovation of the unit. She explained that on the day of the inspection Ms. Foster physically assaulted one of the owners, and the police were called.

Board Chair Silva explained to Ms. Conte that California Civil Code Section 1990.5 stipulates 9 reasons that a landlord my enter his/her tenant's unit, and repairing a unit of a tenant who may or may not be moving out is not one of those reasons. He stated that best practices for landlords is not to force their way in and not to retaliate

against their tenant.

Board Member Ousley stated that is a case of retaliation, and Ms. Conte agreed but explained that Ms. Foster is uncooperative. Board Chair Silva also agreed that this was a case of retaliation.

Motion to continue the case was made by Board Chair Silva, seconded by Board Member Ousley. Motion passed with 5 ayes (Johnson, Simon, Ousley, Penaranda, and Silva), 0 nay.

Assistant City Attorney Eric Casher explained that Ms. Foster is responsible for paying the \$300 rent increase effective December 1st.

Ms. Conte stated that she is willing to decrease the \$300 rent increase down to \$200.

5.K. RRB2015-36 - 1119 Coburn Court #D

Board Chair Silva announced that this case was mutually resolved between the tenant and landlord and will not need to be heard at tonight's Rent Review Board Hearing.

5.L. RRB2015-37 - 1119 Coburn Court #B

Board Chair Silva announced that this case was mutually resolved between the tenant and landlord and will not need to be heard at tonight's Rent Review Board Hearing.

5.M. RRB2015-38 - 1119 Coburn Court #A

Board Chair Silva announced that this case was mutually resolved between the tenant and landlord and will not need to be heard at tonight's Rent Review Board Hearing.

6. MISCELLANEOUS

6.A. Annual Rent Review Program Evaluation Report for July 2014 - June 2015 (includes Proposed Amendments to Rent Review Ordinance)

Board Secretary Steve Hernandez explained that 2 separate staff reports were provided to the Board Members. One staff report is for the proposed amendments to the Rent Review Ordinance and the other staff report is for the Board's annual evaluation report for FY14-15 which includes the proposed changes to the ordinance.

Board Chair opened up the item for Public Comment. He announced that 14 speaker cards were received.

Ashlee Sentman stated that the proposed amendments to the Rent Review Ordinance should not take effect.

Karyl Lee-Figueroa explained that the Hispanics, Blacks, and the old are the least able to afford the high rent increases and that landlords are increasing the rents of their existing tenants to market.

Nyree Reyes advocated for rent control.

Erwin Molina was not present.

Nduka Akofe was not present.

Dennis White described that the rental apartment complexes have appreciated 12.9%.

Kimberly Montano was not present.

Zane Williams was not present.

Virginia Madsen stated that retaliation needs to be defined in the Ordinance. She also asked when the changes to the ordinance will take effect.

Leo West advocated for a freeze on rent increases and rent control on the ballot.

Gonzalo Galvin was not present.

Lisa Soong explained that she already pays for RUBS, and not a threshold of 10% is too high.

Richard Mellor advocated for the tenants.

Laura Clark supported that \$75 rent increase threshold.

Board Chair Silva closed the public comment.

Board discussion began.

Motion to approved the Annual Evaluation Report for FY14-15 was made by Board Member Ousley, seconded by Board Vice Chair Simon. Motion passed with 5 ayes (Johnson, Simon, Ousley, Penaranda, and Silva), 0 nay.

The Rent Review Board agreed that they support the proposed amendments to the Rent Review Ordinance, but presented the following recommendations.

1. Revise the definition of 'Base Rent" to include renter's insurance and implementation of the Ration Utility Billing System (RUBS) and revised the "Required Notice" to include habitability as required by law.

Motion for this change was made by Board Chair Silva, seconded by Board Member Ousley. Motion passed with 5 ayes (Johnson, Simon, Ousley, Penaranda, and Silva), 0 nay.

Board Member Ousley asked for clarification on RUBS and the rationale for referring cases to the City Manager. Board Secretary Hernandez provided the clairfication.

2. Increase the \$75 rent increase threshold to \$100.

Motion for this change was made by Board Member Ousley, seconded by Board Vice Chair Simon. Motion passed with 5 ayes (Johnson, Simon, Ousley, Penaranda, and Silva), 0 nay.

3. Revise the definition of "Residential Property" in order to make duplexes that are tenant-occupied be eligible for rent review.

Motion for this change was made by Board Member Ousley, seconded by Board Member Johnson. Motion passed with 5 ayes (Johnson, Simon, Ousley, Penaranda, and Silva), 0 nay.

4. Prohibit a landlord from raising rents for a period of one year if the landlord does not appear without good cause at a Rent Review Board hearing.

Motion for this change was made by Board Member Ousley, seconded by Board Member Johnson. Motion passed with 3 ayes (Johnson, Ousley, and Penaranda), 2 nays (Simon and Silva).

Board Chair Silva explained that such policy change will result in litigation against the City.

7. BOARD MEMBER COMMENTS

Board Member Ousley explained that the she believes that the Board members are serving the function of the Rent Review Board.

8. STAFF COMMENTS

Board Secretary Hernandez stated that he will see the Board members are the December 15th Rent Review Board meeting.

9. ADJOURN

Motion to adjourn by Board Member Ousley, seconded by Board Member Ousley. Motion approved with 5 ayes (Johnson, Simon, Ousley, Penaranda, and Silva), 0 nay.

Meeting adjourned at 10:55 p.m.