



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, April 26, 2016

7:00 PM

City Council Chambers

1. ROLL CALL

Meeting called to order at 7:00 p.m.

Present 5 - Johnson, Simon, Ousley, Penaranda, and Silva. Absent 0.

2. PUBLIC COMMENTS

None.

3. MINUTES

3.A. Minutes of meeting of March 22, 2016

Motion to approve Minutes of March 22, 2016 Rent Review Board Meeting. A motion was made by Vice-Chair Simon, and seconded by Board Member Ousley. Minutes approved with 5 ayes (Johnson, Simon, Ousley, Penaranda, and Silve), 0 nay.

4. CORRESPONDENCE

5. HEARINGS

5.A. RRB2015-82 - 39 Estabrook Street #3

Board Chair Silva announced that this case is dismissed as the landlord failed to appear at tonight's hearing.

5.B. RRB2015-83 - 39 Estabrook Street #10

Board Chair Silva announced that this case is dismissed as the landlord failed to appear at tonight's hearing.

5.C. RRB2015-84 - 39 Estabrook Street #2

Board Chair Silva announced that this case is dismissed as the landlord failed to appear at tonight's hearing.

5.D. RRB2015-85 - 39 Estabrook Street #12

Board Chair Silva announced that this case is dismissed as the landlord failed to appear at tonight's hearing.

5.E. RRB2015-86 - 39 Estabrook Street #11

Board Chair Silva announced that this case is dismissed as the landlord failed to appear at tonight's hearing.

5.F. RRB2015-87 - 39 Estabrook Street #9

Board Chair Silva announced that this case is dismissed as both the tenant and landlord failed to appear at tonight's hearing.

5.G. RRB2015-88 - 39 Estabrook Street #5

Board Chair Silva announced that this case is dismissed as both the tenant and landlord failed to appear at tonight's hearing.

5.H. RRB2015-89 - 39 Estabrook Street #4

Board Chair Silva announced that this case is dismissed as the landlord failed to appear at tonight's hearing.

5.I. RRB2015-80 - 2615 Marina Blvd. #28

Board Chair Silva announced that he will be recusing himself from this case as he has an economic interest in the case as he is 60% owner of Ms. Martin's apartment complex.

Vice-Chair Simon chairs the hearing.

Vice-Chair Simon opens up the public comment for this case.

Tom Silva stated that he is the majority owner of Newport Apartments where Ms. Martin resides. He stated that Ms. Martin's rent increase is just and reasonable.

Ms. Tessa Martin is the tenant at 2615 Marina Blvd. #28. She stated that her rent has been increasing the past couple of years. She also stated that only 1 of the 3 washing machines in the complex is operating. She explained that she cannot afford the rent increase. When asked by Board Member Johnson, Ms. Tessa answered that her lease stipulates that her landlord will be providing a washer and dryer.

Letti Walters is the representative for Eden Realty, the owner of Newport Apartments. She stated that their washing machines and dryer are leased to Coinmach who is responsible for the operation and repair of the washers and dryers. She also explained that Ms. Martin has had a total of \$300 rent increase in the past 6 years which is an annualized rent increase of 5% per year, including no rent increase for 36 months between 2010 and 2013.

Board Member Johnson suggested a \$70 rent increase instead of a \$100 rent increase until the washing machines and dryers are repaired. Board Member Ousley agreed reasoning that the \$30 reduction is payback for the inconvenience of not

having an operable washer and dryer.

After a 5-minute recess, Ms. Walters explained that Eden Realty has spent \$75,000 on capital improvements, and will be spending \$50,000 for solar. She also explained that Ms. Martin received a \$100 rebate as Ms. Martin's rent increase had an effective date of April 1st, but Eden Realty agreed to postpone the effective date until May 1st so that Ms. Martin's case can go in front of the Rent Review Board.

Ms. Martin explained that she is also dealing with mold in her apartment.

Abigail Finch provided a public comment that she believes that the \$30 reduction is a reasonable compromise.

Board Member discussion began.

Motion for a \$70 (instead of \$100) rent increase for 12 months and for the laundry machines to be repaired. Motion was made by Board Member Johnson, and seconded by Board Member Ousley. Motion passed with 4 ayes (Johnson, Simon, Ousley, and Penaranda), 0 nay.

Vice-Chair Simon asked both landlord and tenant whether they are agreeable to the Board's recommendations. Ms. Walters responded that she cannot accept the Board's recommendation. Ms. Martin responded that she believes that the rent increase should be \$50 due to the mold and inoperable laundry machines.

Motion for a Continuance Hearing for this case. Motion was made by Board Member Ousley, and seconded by Board Member Penaranda. Motion passed with 4 ayes, 0 nay.

5.J. RRB2015-94 - 185 Bellevue Drive #5

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.

6. MISCELLANEOUS

None.

7. BOARD MEMBER COMMENTS

Vice-Chair Simon requested that the Board receive their Rent Review Board Hearing packet a day or so earlier. Rent Review Board Secretary Hernandez agreed and stated that he will provide the best efforts to try to get the hearing packet out to the Board members as soon as possible.

Board Member Penaranda stated that everyone should be mindful of the businesses here in San Leandro as the free market are making everyone else pay for their profits.

Board Member Ousley expressed her concerns about rent increases going as high as 80%. She stated that the massive gentrification she has been predicting can no longer be denied. She stressed that they (as Rent Review Board members) need to be mindful of even the tiniest rent increases and try to resolve these cases. She sees that there is a pattern of rent increases that are getting higher and higher. She explained that housing is not a commodity but it is an important need for people. She

encourages discussion on how to proceed in addressing these rent increases..

8. STAFF COMMENTS

Assistant City Attorney Kris Kokotaylo explained that he has reviewed the "Spectrum Agreement" which was a 3-way agreement between Spectrum Community Services, the tenant Ms. Virginia and Cindy Puc (who rent review case was reviewed at the March 22nd Rent Review Board Hearing), and the landlord Mr. and Mrs. Roger and Mary Tonna. He explained that the City does not get involved in 3-way agreements, and such agreement was also beyond the jurisdiction of the Rent Review Board. He stated that the tenants can certainly pursue legal, civic actions against their landlord on their own.

9. ADJOURN

Meeting adjourned at 8:00 p.m.