



City of San Leandro

Civic Center
835 East 14th Street
San Leandro, California

Minutes

Rent Review Board

*Daniel Johnson, Landlord
Mia Ousley, Homeowner
Maria Luisa Penaranda, Tenant
Thomas Silva, Landlord
Vacancy, Tenant*

Tuesday, August 23, 2016

7:00 PM

SISTER CITIES GALLERY - City Hall

REVISED

1. ROLL CALL

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

Present 4 - Johnson, Ousley, Penaranda, and Silva.

2. PUBLIC COMMENTS

None.

3. MINUTES

3.A. Minutes of meeting of July 26, 2016

Motion to approve Minutes of July 26, 2016 Rent Review Board Meeting. A motion was made by Vice-Chair Ousley, seconded by Board Member Johnson. Minutes approved with 4 ayes (Johnson, Ousley, Penaranda, and Silva), 0 nay.

4. CORRESPONDENCE

Rent Review Board Secretary Steve Hernandez announced that Mr. Carlos Carmona's email (dated August 16, 2016) to the Rent Review Board and City Councilmembers were provided to his landlord (both owner and CWP Property Management, Inc.).

5. HEARINGS

5.A. RRB2016-03 - 13730 East 14th Street #309

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. RRB2016-04 - 911 Coburn Court #C

Vice-Chair Ousley announced that she will be recusing herself from this case as she has an economic conflict of interest in the case as CWP Property Management, Inc.

is a source of income for her for providing them financial services.

Board Chair Silva also announced that she has known Karen Bergendahl, the president of CWP Property Management, Inc., for over 30 years. He asked Mr. Carlos Carmona if he was okay with proceeding with his rent review hearing with Board Chair Silva chairing the hearing. Mr. Carmona inquired whether his case can proceed without Board Chair Silva. Assistant City Attorney Kris Kokotaylo explained that without Board Chair Silva the case cannot proceed as there will be no required quorum, and additionally, his case can only be heard when a new Rent Review Board member is appointed. Mr. Carmona then inquired what happens to his rent increase if his case is not heard. Assistant City Attorney Kokotaylo explained that the rent increase takes effect regardless whether a rent review hearing is held. Mr. Carmona agreed to proceed with his rent review hearing with Board Chair Silva.

Mr. Carlos Carmona is the tenant at 911 Coburn Court #C. He stated that profit is a high priority for CWP Property Management. He explained that CWP has very poor reviews on Yelp. He explained that his unit is in poor condition and outdated. He also explained that CWP has had unethical behavior, including abusing the right to enter the units, fabricated stories of unauthorized occupants, discriminatory treatment, and illegal charges for repairs.

Board Chair Silva asked Mr. Carmona whether he has a written list of maintenance items. Mr. Carmona responded yes.

Board Chair Silva ordered a 10-minute recess in order for staff to make copies of Mr. Carmona's list of maintenance items.

Hearing restarted at 7:43 p.m.

Board Member Johnson and Board Member Penaranda ran through the "repair checklist" from February 2016 with Mr. Carmona. Mr. Carmona confirmed that the repair items in the kitchen have been fixed. He confirmed that the remaining repairs that must be done include: kitchen cabinet clips, cracked floor tiles, bedroom closet doors, cracked living room window, window blinds, hardwood floors, bathrooms need to be recaulked, bathroom floor tiles, single-pane windows, and exterior stairs, and exterior lighting are not operable.

Mr. Carmona explained that he will need to start paying \$150 to use the garage that he was allowed to use before without charge.

Ms. Karen Bergendahl, the property manager at CWP Property Management, Inc. explained that the "repair checklist" was requested in September 2015 shortly after the new owner purchased the building, but it was not returned to CWP until February 2016. She also noted that the list of repair items that Mr. Carmona has discussed are new items that CWP is now just hearing about, but she is confident the owner will be more than happy to reinspect the items and address them. She explained that they have invoices to show that all items in the "repair checklist" have been corrected. She also explained that they have had difficulty entering Mr. Carmona's unit which explains why there were delays in addressing the repair items. She also explained that new windows are scheduled to be installed. She also expressed the owner's concern that Mr. Carmona does not reside in his unit, and the owner's desire to get clarification on the actual occupants in Mr. Carmona's unit. She also noted that Mr. Carmona's 2-bedroom/1-bath unit at \$1,595 is seriously below fair market rent. She also made it clear that there are no uninhabitable issues in Mr. Carmona's unit.

Board Chair Silva began to build the repair list to ensure implied warranty of

habitability:

- wash down exterior stairs
- reinspect exterior lighting to ensure proper operation
- reinspect kitchen floor for open seams
- inspect and repair kitchen cabinets
- inspect and repair bathroom floors and caulking
- replace cracked ceramic sink basin
- replace bathroom light fixture
- reinspect bedroom closet doors, including the new rollers
- inspect bedroom hardwood floors for open seams, and repairs if necessary
- check for proper operation of newly installed thermostat
- replacement of all windows in 30 days
- reinspect window blinds

Ms. Bergendahl confirmed that Mr. Carmona's original lease did not include a garage. Assistance City Attorney Kokotaylo confirmed that the new monthly fee for the garage is not considered a rent increase. Therefore, the Rent Review Board will not discuss it.

Board Chair Silva discussed the occupants in Mr. Carmona's unit. Ms. Bergendahl stated that they need Mr. Carmona to provide them an updated tenant questionnaire confirming the occupants in his unit as well as the vehicles used. Later, both Mr. Carmona and CWP agreed that this questionnaire would be provided to CWP by September 9th, 2016.

Board Chair Silva asked if CWP can complete all the repairs by September 30th. Mr. Clifford Rommell, the owner of the building, requested that Mr. Carmona grant them access to his unit so CWP can address and correct the necessary repairs in order for all the repairs to be corrected.

Board Chair Silva added the the settlement a renewed necessary effort for mutual respect on both the part of tenant and landlord.

Mr. Rommell explained that the property is a big financial burden for him; therefore, he cannot delay any rent increases or reduce the amount of rent increase. He also agreed to pay the \$65.75 garbage bill resulting from Mr. Carmona not paying the garbage bill on time.

Mr. Carmona requested that the rent increase be postponed for 3 months. But Mr. Rommell did not agree to postponing the rent increase.

Motion for the settlement as agreed upon was made by Board Chair Silva, seconded by Board Member Johnson. Motion approved with 3 ayes (Johnso, Penaranda, and Silva), 0 nay.

Mr. Rommell agreed to sign the settlement as agreed upon, including the \$145 rent increase taking effect only after all the repair items have been completed.

Mr. Carmona did not agree to sign the settlement stating that "this is a disastrous outcome".

Boad Chail Silva closed the case.

Mr. Rommell signed the settlement.

Vice-Chair Ousley rejoined the Board at 8:58 p.m.

6. MISCELLANEOUS

None.

7. BOARD MEMBER COMMENTS

Board Member Penaranda stated "that business rentals should have the obligation to behave in ways that they are not controlling, judgemental, and asserting their powers over people who are their source of income. Instead they should treat their tenants respectfully as good members of this community."

8. STAFF COMMENTS

None.

9. ADJOURN

Meeting adjourned at 9:00 p.m.