



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
Diana Truran Sacrey, Tenant
Thomas Silva, Landlord

Tuesday, October 25, 2016

7:00 PM

City Council Chambers

1. ROLL CALL

Meeting called to order at 7:06 p.m.

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

There is a vacancy for a Tenant Representative Member.

2. PUBLIC COMMENTS

None.

3. MINUTES

3.A. Minutes of meeting of September 27, 2016

Motion to approve Minutes of September 27, 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

None.

5. HEARINGS

Board Chair Silva called roll for each rent review cases to determine that all tenants and landlords are present at the hearing. All 3 tenants [Ms. Mendonza (RRB2016-08), Ms. Ballard (RRB2016-09), and Ms. Bertrand(RRB2016-11)], and their individual landlords [Troy Bronstein (for Ms. Mendonza), Don Magalhaes (for Ms. Ballard), and Luis Becerra (for Ms. Bertrand)] were present.

Board Chair Silva requested that Ms. Ballard and Mr. Magalhaes [tenant and landlord at 63 Dutton Avenue #2 (RRB2016-09)] and Ms. Bertrand and Mr. Becerra [tenant and landlord at 14764 Martell Avenue #A (RRB2016-11)] to discuss their respective rent increase dispute outside the City Council Chambers while the Rent Review Board first reviewed the Hearing for RRB2016-08 case for 2016 West Avenue 135th Unit A (Ms. Mendonza).

5.A. RRB2016-08 - 2016 West Avenue 135th Unit A

Ms. Linda Mendonza and her mother Francoise Bullard are the tenant at 2016 West Avenue 135th Avenue. Ms. Mendonza stated that they are seniors on fixed income, and the \$400 rent increase is shocking and frightening. Her landlord is not maintaining the property and makes shoddy repairs. They have old carpets from the 90's, windows that do not lock, no lock on the front door, and a sliding glass door that don't work. She believes that a \$400 rent increase for a neglected unit is not fair. When asked by Vice Chair Ousley, Ms. Mendonza explained that they moved in 2008 at \$1,200, and the only rent increase they have received is a \$100 rent increase in October 2015.

Troy Bronstein is Ms. Mendonza's landlord. He explained that they bought the property 3 years ago. He has never received any complaint about the inoperable windows, but he has received complaints about the stove. He emphasized that he just needs to be made aware of repairs. While he understands that Ms. Mendonza and her mother are on fixed income, their rent is still under market even with the \$400 rent increase.

Vice Chair Ousley asked Mr. Bronstein how he was unaware of the repairs. Board Secretary Hernandez explained that the letters relating to the repairs came after Ms. Mendonza submitted her request for a rent review.

Board Member Johnson pleaded with Mr. Bronstein to increase Ms. Mendonza's rent by 7%. He explained that this can be done by slowing down the improvements and allowing him to keep his tenants who can pay a reasonable rent increase. He then explained that he can move up his rent once the tenants move out.

Board Member Penaranda stated that there is no recourse for fixed income seniors. She explained that a \$400 rent increase is extreme, and it is taking advantage of the situation for fixed income seniors.

Board Chair Silva stated he would like to address habitability items in Ms. Mendonza's unit. He also explained that the rent review is non-binding arbitration, but he also explained to Mr. Bronstein that he has a technical problem as he has improperly served Ms. Mendonza with her rent increase notice. When asked by Mr. Bronstein, Board Chair Silva explained that he will be required to re-serve Ms. Mendonza (which will delay his rent increase by at least 60 days) unless they are able to come to a mutually satisfactory resolution tonight.

Board Chair Silva explained a repairs list that included 1) removing a dead/rotten plum tree, 2) stretching out the carpet once tenants move the furniture, 3) inspecting that windows to ensure that they can securely lock, 4) installing a new handset and deadbolt on the security screen door, and 5) repairing the screen door on the sliding glass door. He answered yes when Mr. Bronstein asked whether he can use his own repairman.

Board Chair Silva then asked both Ms. Mendonza and Mr. Bronstein whether they are agreeable to a 2-3 year long lease. Ms. Mendonza answered yes, and Mr. Bronstein also answered yes "as long as it falls in line with what I need".

Mr. Bronstein stated that he cannot go any lower than \$1,500. Ms. Mendonza requested \$135 for 3 years. Vice Chair Ousley proposed \$150 the first year, \$150 the second year, and another \$150 the third year.

Mr. Bronstein then stated that the best he can do is half (\$200).

Ms. Mendonza and Ms. Bullard accepted the following proposal.

- \$200 rent increase (\$1,300 increases to \$1,500 from January 1, 2017 - December 31, 2017.

- \$100 rent increase (\$1,600 increases to \$1,700 from January 1, 2018 - December 31, 2018.

- \$100 rent increase (\$1,700 increases to \$1,800 from January 1, 2019 - December 31, 2019.

Mr. Bronstein also agreed to address the following habitability issues by December 15, 2016: 1) remove rotten plum tree, 2) inspect to ensure window locks are operable, 3) install handset and deadbolt on security screen door, 4) install screen door on sliding glass door, and 5) washer and dryer will continue to be inoperable.

Terms of the agreement was motioned by Board Chair Silva, seconded by Board Member Johnson. Motion approved with 4 ayes (Johnson, Ousley, Penaranda, and Silva), 0 nay.

Board Member Penaranda stated that the renters have no choice (but to accept proposals presented at the Rent Review Hearings) before casting her vote for an aye.

5.B. RRB2016-09 - 63 Dutton Avenue #2

Ms. Camilla Ballard is the tenant at 63 Dutton Avenue #2. Mr. Don Magalhaes is her landlord. Both announced that they have come to a mutually satisfactory resolution. Ms. Ballard will accept her \$130 (9.8%) rent increase which will increase her rent to \$1,450, while Mr. Magalhaes has agreed to replace her mailbox.

5.C. RRB2016-11 - 14764 Martell Avenue #A

Ms. Sharon Bertrand is the tenant at 14764 Martell Avenue #A. She stated that she has been residing in her unit for 7 years. She is on fixed-income so an 8% rent increase is a bit much for her so the 16% rent increase she has received is large. When asked by Board member Penaranda, she confirmed that she has not had any rent increase in 7 years.

Mr. Luis Becerra is Ms. Bertrand's landlord. He stated that he believes that he and Ms. Bertrand have a good relationship. He has been contemplating giving Ms. Bertrand a rent increase the last 3 to 4 years, but chose not to raise Ms. Bertrand's rent. He stated that he does not want Ms. Bertrand to leave, but he believes that the \$200 (17%) rent increase is a fair rent increase. When asked by Board member Johnson, Mr. Becerra explained that rising costs of maintaining the property is why he finally chose to raise Ms. Bertrand's rent after 7 years. He also explained that he felt that the Board is holding it against him that he has not raised Ms. Bertrand's rent in 7 years.

Board member Penaranda commend Mr. Becerra for not raising his rents in 7 years. She also stated that Mr. Becerra is justified in recouping his rising costs, but she also believes that he should do this with little rent increases (rather than 1 big rent increase).

Mr. Becerra stated that \$1,400 is a reasonable price.

Ms. Bertrand stated that she and Mr. Becerra has discussed a \$100 rent increase (rather than a \$200 rent increase). She also stated that \$1,400 is more than half of her income.

When asked by Board Chair Silva, Ms. Bertrand confirmed that there are no habitability issues with her unit.

Ms. Bertrand stated that she can only stay at her unit for a year at the new \$1,400 rent.

Ms. Bertrand and Mr. Becerra accepted the following proposal.

- \$150 rent increase (\$1,200 increases to \$1,350 from January 1, 2017 - December 31, 2017.*
- \$100 rent increase (\$1,350 increases to \$1,450 from January 1, 2018 - December 31, 2018.*
- \$100 rent increase (\$1,450 increases to \$1,550 from January 1, 2019 - December 31, 2019.*
- Ms. Bertrand must provide a 30-day notice if she intends to move out.*
- Both parties confirm that there are no habitability issues in Ms. Bertrand's unit.*

Terms of the agreement was motioned by Board Chair Silva, seconded by Board member Penaranda. Motion approved with 4 ayes (Johnson, Ousley, Penaranda, and Silva), 0 nay.

6. MISCELLANEOUS

None.

7. BOARD MEMBER COMMENTS

None.

8. STAFF COMMENTS

Board Secretary Hernandez explained that the next meeting will be a Special Meeting on November 29th in order to accomodate for the Thanksgiving Holiday.

9. ADJOURN

Meeting adjourned at 8:34 p.m.