

LARA WEISIGER

From: Michael A. Brodsky <michael@brodskylaw.net>
Sent: Monday, August 08, 2016 1:44 PM
To: City Clerk
Subject: letter for tonight's council meeting
Attachments: August 8, rent ordinance.pdf

Dear Clerk,

Please find attached a letter regarding agenda item 6-A to the Mayor and City Council. I hope to attend tonight's meeting in person but I may not be able to make it so I am submitting this letter for consideration.

Thank you for passing the letter on to the Mayor and Council.

Michael Brodsky
Law Offices of Michael A. Brodsky
201 Esplanade, Uppr Suite
Capitola, CA 95010
831-469-3514
michael@brodskylaw.net

CONFIDENTIALITY NOTICE: This communication with its contents may contain confidential and/or legally privileged information. It is solely for the use of the intended recipient(s). Unauthorized interception, review, use or disclosure is prohibited and may violate applicable laws including the Electronic Communications Privacy Act. If you are not the intended recipient, please contact the sender and destroy all copies of the communication.

Mike Brodsky
201 Esplanade, Upper Suite
Capitola, CA 95010
831-469-3514

VIA EMAIL

Honorable Mayor and City Council
City of Alameda
c/o City Clerk
2263 Santa Clara Avenue
Room 380, Alameda, CA 94501

Re: Agenda Item 6-A, August 8, 2016, Council Meeting: Rent Ordinance

Dear Mayor and Council:

I am writing to urge you to move forward and adopt the proposed resolution placing the City's rent stabilization act on the ballot for voters to confirm Ordinance 3148.

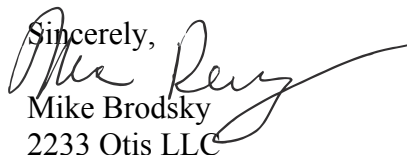
I own a 10-unit apartment house in Alameda at 2233 Otis Drive.

When I first learned of the passage of ordinance 3148, I was concerned about interference with my property and contract rights to conduct my rental property business on my own terms. However, as I learned more I came to understand that ordinance 3148 is a reasonable compromise that balances the interests of property owners and renters in a fair manner.

I acquired my Alameda property about ten years ago. When I acquired the property, there were several very long-term tenants in the building at below market rents. Other units were at market rates. One lady had lived there since the mid 1960s. Over time, I have very gradually raised rents (I have increased the rents at 5% or less on 3 occasions over the last 10 years). I believe my actions were reasonable, and when I took a close look at ordinance 3148 I found that it did not require me to do anything that I would not have otherwise done.

Ordinance 3148 prevents gouging by unscrupulous landlords but allows reasonable property owners to manage their investments on reasonable terms. There is no need to raise rents more than once per year or at excessive rates. I have not had occasion to ask any of my long-term tenants to leave, but I think the relocation expenses required by Ordinance 3148 would be fair if such an occasion arose. I completed the soft-story retrofit some years ago and was able to absorb the cost. However, for those owners needing to make capital improvements going forward Ordinance 3148 allows for recoupment of capital costs through a capital improvement plan. It thereby promotes upkeep of the City's housing stock.

As far as placing the ordinance on the ballot for confirmation, I think it is important for voters to understand that they have an opportunity to give their city council and rent board a vote of confidence and show their preference for the existing ordinance. Absent placing Ordinance 3148 on the ballot, voters may not understand that there are existing tenant protections in place under ordinance 3148 and may not understand that they have the choice to keep those existing protections in place. Thank you for considering my views.

Sincerely,

Mike Brodsky
2233 Otis LLC

LARA WEISIGER

From: Robert Schrader <rjschrader@yahoo.com>
Sent: Monday, August 08, 2016 11:20 AM
To: Trish Spencer; Frank Matarrese; Marilyn Ezzy Ashcraft; Tony Daysog; Jim Oddie; Jill Keimach; LARA WEISIGER
Cc: Penelope Schrader
Subject: A word of caution.

While I support placing Ordinance 3148 on the November ballot, I am concerned about the detail wording of the proposed ballot measure - particularly (b), which reads:

"(b) requires mediation for all residential rent increases above 5%, including binding decisions on rent increases for most rental units"

My objection is that this sentence creates the false impression among voters that Ordinance 3148 requires active mediation of all rent increases above 5%, while it actually does not. Careful review of Ordinance 3148 reveals that it requires a 'request for a review' of rent increases above 5% - **(6-58.75)** - and a subsequent decision by RRAC on a reasonable rent increase for those cases **(6-58.85 C)**.

Thus, I think that the voters are being misinformed by the wording above, and the word 'mediation' should be replaced by 'review' in the sentence above.

Secondly, the binding decision portion of the sentence only applies to those rent increases above 5.0% - although the wording above is not specific to this, and it can be easily assumed that the binding decision aspects of Ordinance 3148 apply to ALL rent increases for most rental units.

So - I suggest that sentence (b) be rewritten as follows:

"(b) requires review for all residential rent increases above 5%, including binding decisions on rent increases above 5% for most rental units"

Changing the wording reinforces the intent of Ordinance 3148 to focus attention on those relatively few cases of high rent increases while leaving room for flexibility in those extraordinary cases where high rent increases may indeed be justified.

Ordinance 3148 is a well-considered and comprehensive solution, and this aspect of the Ordinance is its primary strength, opposed to the ARC ballot initiative. The initially proposed wording above not only detracts from this aspect - but positions Ordinance 3148 as yet another form of rent control - which it is not. Community focus and review is substantially different than mandated rent control - and this is a key differentiating factor, and should be encouraged rather than weakened as a decision point for voters.

Best Regards,

Robert Schrader