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Staff Report

Date: November 29, 2016

To: City Council

From: Valerie J. Barone, City Manager

Reviewed by: Victoria Walker, Director of Community and Economic Development

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Subject: **Discuss and provide direction to staff regarding the City Council Committee on Housing and Economic Development's recommendations on rent stabilization and tenant protection.**

Report in Brief

Between June and October 2016, the City Council and its Housing and Economic Development (HED) Committee convened a series of meetings on the issue of rent stabilization and tenant protection in Concord. This report summarizes the outcome of these meetings and the HED Committee recommendations. At the most recent meeting on October 24, 2016, the HED Committee recommended that the Council consider creating a rental housing telephone and web site “hotline” and implementation of a non-binding mediation program for tenants and landlords. The Committee also recommended that the Council discuss a 45-day moratorium (urgency ordinance) on rent increases over three percent.

Recommended Action

Staff recommends that the Council discuss the HED Committee recommendations, accept public comment, and provide staff with input and direction on next steps.

Background

Bay Area rents have been increasing rapidly for several years, creating financial hardship for lower income households and increasing the risk of displacement. During 2015 and early 2016, a number of Concord renters spoke before the City Council on the need for affordable housing and stronger tenant protection laws. In response, the City Council and the HED Committee convened a series of workshops

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and meetings to study the issue and develop appropriate strategies. The City solicited the participation of a tenant advocate group and a landlord association in this process, both through panel discussions and through ongoing engagement.

Council and Committee meetings included:

- An HED Committee meeting on June 27, 2016, including presentations by Tenants Together (tenant advocates), the California Apartment Association (landlord advocates), and an independent expert on rent control.
- A City Council study session on July 26, 2016, with the same presentations and discussion by the full Council
- An HED Committee meeting on September 26, 2016, focused on data on Concord's rental housing stock, demographics, and market conditions
- An HED Committee meeting on October 24, 2016 in which the Committee received Staff's responses to questions, and at which the HED Committee developed recommendations

Each of the meetings listed above included public testimony—in all, nearly 10 hours of testimony was received, with landlords and tenants both well represented.

Key Findings from Rental Housing Data Book

The September 26, 2016 meeting included discussion of a "Concord Rental Housing Data Book" (Attachment 1), providing maps, charts, and tables on rental housing conditions in the City. Key findings of the data are:

1. There are approximately 18,500 renter households in Concord, representing 41% of the city's households.
2. Concord's renters have a median household income of about \$45,400, which is roughly half of the median household income reported for homeowners (\$88,500). The Census estimates that 40% of Concord's renter households with incomes less than \$75,000 a year are paying more than half of their incomes on housing.
3. About 45% of Concord's renters reside in single family detached homes, condominiums, and mobile homes. State law (Costa Hawkins Act) prohibits cities from enacting rent control ordinances covering such housing types.
4. There are about 700 properties in the City developed with multi-family rental housing. There are roughly 10,000 rental apartments on these properties. Although large apartment complexes (with over 60 units) represent just 5.6% of the properties, they contain 44% of the total apartment units. About 60% of Concord's multi-family properties contain 2-4 unit buildings—but these parcels only contain 12% of Concord's rental apartments.

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5. Most Concord apartment property owners own only a single property. There are roughly 500 owners controlling the 700 multi-family rental apartment properties. About 82% of the city's landlords own only one property, while 18% own two or more properties.
6. If Concord pursued a rent control program, about 8,000 units would be eligible. Under the Costa-Hawkins Act, rental apartments built after 1995 and "affordable" housing developments would be ineligible.
7. The apartment vacancy rate was 7% at the height of the recession in 2009. By the third quarter of 2015, it had dropped to 1.8%. The rate currently stands about 2.2%.
8. Private industry data (RealFacts) indicates that the average monthly rent in Concord was \$1,696 in mid-2016, which is a 34.6% increase since 2012. The rate of increase was about 8% in 2013-14, almost 13% in 2014-15, and is expected to be about 8% in 2015-16.
9. Rents in the larger complexes tend to be higher than the smaller ones, and have generally increased at a faster rate in the last few years.
10. The City's rents are slightly below the countywide average, and are rising at about the same rate as the county as a whole. Between 2015 and 2016, Martinez and Walnut Creek both experienced steeper rent increases than Concord. Lower increases were experienced in San Ramon, Pleasant Hill, and Pittsburg.

Overview of Rent Stabilization and Tenant Protection Strategies

The September 26 meeting included an overview of rent stabilization and tenant protection strategies in California, including but not limited to:

1. **Landlord and Tenant Mediation.** Mediation programs provide opportunities for tenants to appeal large rent increases to a hearing officer or rent review board. Although the decisions are advisory and non-binding, the possibility of a tenant appeal and a public review process can be a disincentive for steep rent increases, and may result in compromises that can avoid financial hardship or displacement of tenants. Such programs are in effect in San Leandro, Fremont, Campbell, Palo Alto, and several other cities.
2. **Rent Control.** Rent control ordinances place limits on annual rent increases and usually create rent review boards to consider appeals to these limits. Typically, such ordinances allow only one increase every 12 months, and limit rent increases to fixed annual percentages or to the consumer price index. Most rent control ordinances allow landlords to raise the rent beyond the annual limits to cover certain costs such as maintenance, capital improvements, taxes, and fees. In such cases, an annual maximum amount that may be passed on to tenants may be set. Some cities also allow landlords to "bank" their allowable rent increases during years when

the market may not support increases. Some ordinances also have a registration component, with all owners of qualifying units required to register their units. Units built after February 1, 1995 are statutorily exempt from rent control. Bay Area cities with rent control include San Francisco, San Jose, Berkeley, Oakland, Hayward, East Palo Alto, and Los Gatos, and more recently Alameda and Santa Rosa.¹

3. **Eviction Protection.** Most of the cities that have adopted Rent Stabilization Ordinances have also adopted Just Cause Eviction Protections. These protections restrict the allowable reasons for which a landlord can evict a tenant. Typical just causes for eviction include failure to pay rent, violation of the lease terms, criminal behavior, disturbing the quality of life of adjacent residents,” and denying the owner access to the unit. Under state law, just cause ordinances must also include allowances for “no fault” evictions, such as the removal of a unit from the market, substantial rehabilitation, or the owner moving a family member into the unit.
4. **Relocation Assistance for No Fault Evictions.** Cities can adopt requirements for landlords to assist tenants who must relocate due to “no fault” evictions. For example, if the owner of an apartment evicts a tenant to move a family member into the unit, they would be required to pay the tenant’s cost for finding a new unit, including moving costs. The amount is typically equal to several months’ rent.
5. **Harassment Protection.** Cities such as Berkeley and San Francisco have adopted ordinances protecting tenants from landlord harassment and retaliation. Examples of harassment include excessive access to the unit by the landlord, failure to perform maintenance and repairs, influencing a tenant to move due to intimidation or fraud, verbal or physical threats to a tenant, and removing an essential amenity such as a parking space. Harassment protection requirements typically extend to all rental properties—including single family homes and condominiums regardless of year built.
6. **Enhanced Lease Terms and Noticing Requirements.** A city may adopt an ordinance that requires landlords to offer tenants leases of at least one year. Having a longer-term lease can protect tenants from receiving rent increases during the term of the lease. A city may also adopt an ordinance that requires longer noticing requirements for tenancy termination than is required by state law. Enhanced lease terms and noticing requirements may apply to all rental units, and not just those eligible for rent control under the Costa Hawkins Act.

¹ A number of rent control initiatives were on the November 8, 2016 ballot. Rent control measures were approved in Richmond and Mountain View, strengthened in Oakland, affirmed in Alameda, and defeated in Burlingame and San Mateo.

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HED Committee Questions and Key Discussion Items in October, 2016

At the September 26, 2016 HED Committee meeting, the Committee directed staff to follow up on specific issues. These issues were the focus of staff's presentation at the Committee's October 24, 2016 meeting. The key issues covered were:

- Clarification of data on average rent increases between 2015-2016
- The challenges of identifying individual properties where very large rent increases have occurred (given the lack of a rent registry or comprehensive data by address)
- Highlighting the most important tables and charts in the Rental Housing Data Book
- Concerns over the vague nature of the term "nuisance" given that it may be invoked as a "just cause" to evict a tenant
- Concerns over the potential financial impacts of just cause eviction on landlords, including the loss of rent from tenants in disputed units and legal fees
- The estimated administrative cost of a rent control program, using Alameda's recent ordinance as a case study
- Strategies for expediting the roughly 1,000 rental units in Concord's development pipeline, in order to relieve the current housing shortage and low vacancy rate
- The feasibility of a "rental housing hotline" where tenants could notify the City of large rent increases, thus providing a source of data on the extent of the problem.

Following public testimony, the HED Committee provided feedback to staff on how to proceed. Committee members also offered their perspectives on a request from the public for a 45-day urgency moratorium on rent increases over 3%. The next section of the staff report summarizes HED Committee's direction and provides an analysis of potential impacts and next steps.

Analysis

At their final meeting the HED Committee expressed concerns about a traditional rent control program. Councilmember Leone noted that the rental housing crisis is a Bay Area problem that would be best addressed by increasing housing production. He stated that rent control might have a chilling effect on investment and discourage maintenance of rental properties by owners for fear they could not recoup their investments. He also stated that there could be equity issues with neighbors in identical units paying different rents, and observed that rent control had not resulted in lower market rents in those cities where it was in effect. He noted the City of Concord's recent efforts to acquire and rehabilitate apartments to create new affordable units, expedite the construction of accessory dwellings (in-law units), and improve the multi-family inspection program. Councilmember Helix expressed his view that landlords should be allowed to pass a portion of the capital costs for building improvements on to

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tenants, and noted that there was still limited data on the number of properties where rapid rent increases had occurred. Councilmember Helix felt that better data was important to support any future decision making on this topic that the Council may make, which is why he recommended a rental "hotline."

The Committee agreed that there were immediate steps the City could take to provide more clarity on the matter and mitigate the effects of rising rents on tenants. Their recommendations to the full Council fall into three categories, each discussed below:

- Create a Rental Housing telephone and web site Hotline
- Consider a formal non-binding Rent Mediation Program
- Discuss a 45-day moratorium on rent increases over 3 percent

Rental Housing Hotline

The HED Committee recommended creation of a Rental Housing Hotline for tenants. The purpose of the hotline is to gather data on large rent increases, which will in turn help determine if tenant protection measures are warranted.

The Hotline would operate in bilingual English/Spanish and would include a City phone number, web site and email address where tenants could report instances of significant rent increases. A staff member in the Community & Economic Development Department would be tasked with verifying the authenticity of each claim, and following up with the tenant and landlord. Data collected would include the address of the property, and the amount of the rent increase and two most recent prior increases. The tenant's name would remain confidential. The Hotline would serve tenants in buildings with more than 12 units. There are roughly 130 properties, containing about 6,300 units of housing that would be covered. This represents about two-thirds of the rental apartments in the city.

Staff is prepared to initiate the Hotline proposal within 30 days of Council authorization. The key to the program's success is active multi-lingual outreach to tenants and landlords, ensuring that all are aware of the opportunity to report rent increases. Outreach would be achieved through printed and web-based materials (in English and Spanish), and partnerships with tenant advocates and landlords to promote the program. Staff would report back to the HED Committee within three to six months after the Hotline is initiated to evaluate its success and report the findings of the data collected. This hotline program could be accomplished within existing resources.

Nonbinding Mediation Program

The HED Committee recommended that the City consider instituting a formal nonbinding mediation program for rent increases. As noted earlier, a number of Bay Area cities have implemented such programs. The program would use non-binding mediation to resolve complaints from tenants and landlords.

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As proposed by the Committee, the program would include creation of a five-member Rent Review Board comprised of two landlords, two tenants, and a neutral third party. The Board would convene public hearings to consider appeals for matters such as rent increases above a certain percentage, rent increases occurring more than once a year, unreasonable notices to vacate, and rent increases relating to capital investment in the property by the owner. The Mediation Program may be viewed as a "first step" to address the issue of rising rents, and would be periodically evaluated to determine if more substantial measures may be needed.

Although the decisions of the Rent Review Board would be non-binding, the requirement to participate in the process if a pre-determined rental increase threshold is crossed and a tenant requests the mediation would be mandatory. The program is expected to exert a moderating effect on rent increases. Landlords might be less inclined to pursue large rent increases to avoid the visibility and time commitment associated with a public hearing, and the scrutiny of the review board. Tenants would have a reasonable venue for addressing their issues, and an opportunity to make their case to an independent Board. Mediation can result in effective compromises, creative solutions, and improved communication between tenants and landlords.

Staff has contacted two cities in the Bay Area that currently have mediation programs to determine the likely cost of such a program, and potential impacts and outcomes. San Leandro has a Rent Review Board similar to the Board proposed by the HED Committee. Fremont does not have a Rent Review Board but has a mediation process managed by a local non-profit housing organization. Should Council desire to pursue this approach, staff would work with the HED Committee to develop the program and would subsequently bring it to the full Council for adoption. Fiscal impacts would be evaluated as part of developing the program. All interested parties would be invited to participate in conversations on this topic as the program is being developed.

Below is information from two-cities that operate rent review mediation programs:

San Leandro. The City of San Leandro adopted a Rent Review Ordinance in 2001. The Ordinance created a non-binding arbitration program for tenants and landlords, with a five-member appointed Rent Review Board serving as the mediating body. The Rent Review Board provides a neutral and public setting for discussing rent increase disputes. All parcels with two or more tenant occupied units are eligible to participate. The program is funded entirely by the City, with no fees to tenants or landlords. San Leandro has roughly 8,600 rental apartments (compared to roughly 10,000 in Concord). San Leandro's program requires that landlords specifically notify tenants of their right to a hearing when they are notified of a rent increase. The tenant may then request a hearing through the City, or through ECHO housing (a local non-profit). The City (or ECHO) contacts the landlord to schedule the hearing. The Rent Review Board meets

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monthly at City Hall. At the present time, the threshold for eligibility for an appeal is a 7% rent increase (it was \$75/month until early 2016). San Leandro staff indicated that some landlords appear to be keeping their annual rent increases below the threshold to avoid a hearing.

The hearings frequently result in compromises between the landlord and tenant. Sometimes the landlord agrees to a lower increase than what was initially proposed. Sometimes, the landlord agrees to provide concessions such as new carpet or appliances prior to the planned increase. In other cases, the matter is settled before the hearing. Occasionally there is no resolution and the increase occurs as originally proposed.

The annual cost of San Leandro's program ranges from \$150,000 to \$200,000 depending on the volume of cases heard each year.. This includes a \$30,000 a year contract with ECHO, plus up to \$10,000 in additional annual hourly rate costs. It also includes about half of a staff person's time, covering program administration, preparation of hearing reports, and staffing the monthly Board meetings. It also includes the City Attorney's time for attending the hearings, which typically last from one to three hours.

Fremont. Fremont adopted a landlord-tenant mediation program in 1997. It requires landlords to notify tenants of their right to use the City's Dispute Resolution process, which is a three-step process that includes consultation, mediation, and where needed, convening of a "fact-finding panel." Fremont limits rent increases to one per year, and stipulates that any rent increase made without required notice is automatically null and void. Fremont's program is administered through a contract with ECHO Housing and does not involve a Rent Review Board.

Fremont staff indicates their program was effective in its early years but has become less effective as its original proponents have become less engaged. Earlier in 2016, the City explored ways to strengthen the program. Peer-to-peer counseling with the Rental Housing Association of Alameda County is now available to assist landlords. Fremont is currently considering creating a Rent Review Board (similar to San Leandro's), along with measures to strengthen tenant awareness of the program. It may also add anti-retaliation provisions for tenants requesting a hearing. In 2016, the program resulted in reduced rent increases for about 50 percent of all cases heard.

Moratorium Discussion

The final recommendation of the HED Committee, which was made by Committee Member Helix, is that the Council discuss the possibility of an Urgency Measure to limit rent increases above 3% for a 45-day period. This recommendation is in response to requests from a number of speakers at the Committee's hearings in September and October. During the 45-day period, staff would establish the Rental Housing Hotline,

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set up the Mediation Program (if directed to do so by the Council), implement improvements to the multi-family inspection program, and continue to collect data on rents. Chair Leone was amenable to have the City Council discuss a temporary moratorium but his position on the matter was undecided.

In general, pursuant to Government Code Section 65858, the City Council may adopt as an Urgency Measure an interim ordinance (or moratorium) that prohibits any uses that may be in conflict with the City's General Plan, specific plans, or zoning proposal that the City Council is considering or intends to study within a reasonable amount of time. The urgency measure requires a four-fifths vote of the Council for adoption and would remain in effect for 45 days from the date of adoption. Thereafter, the City Council may extend the urgency measure for an additional period of time, not to exceed two years post adoption, after a public hearing and a fourth-fifths vote.

In making the necessary findings to adopt the urgency measure, the City Council is required to make findings that there is a current and immediate threat to the public health, safety, or welfare, that the interim measure is necessary to mitigate or avoid the specific, adverse impact, and that there is no other feasible alternative with a less burdensome or restrictive effect to mitigate these impacts.

Financial Impact

Implementing the renter "Hotline" should not result in a new cost to the City's General Fund. Staff has not developed cost analysis concerning the proposed nonbinding Mediation Board proposal. If directed, staff will come back to City Council with a proposed program and associated cost for a proposed Mediation Board.

Public Contact

The agenda item was posted. Those who spoke before the City Council Workshop on Rental Housing or submitted correspondence to City Council on the topic received notice.

Attachments

1. September 2016 Rental Housing Data Book

CONCORD RENTAL HOUSING DATA BOOK

September 2016

Contents

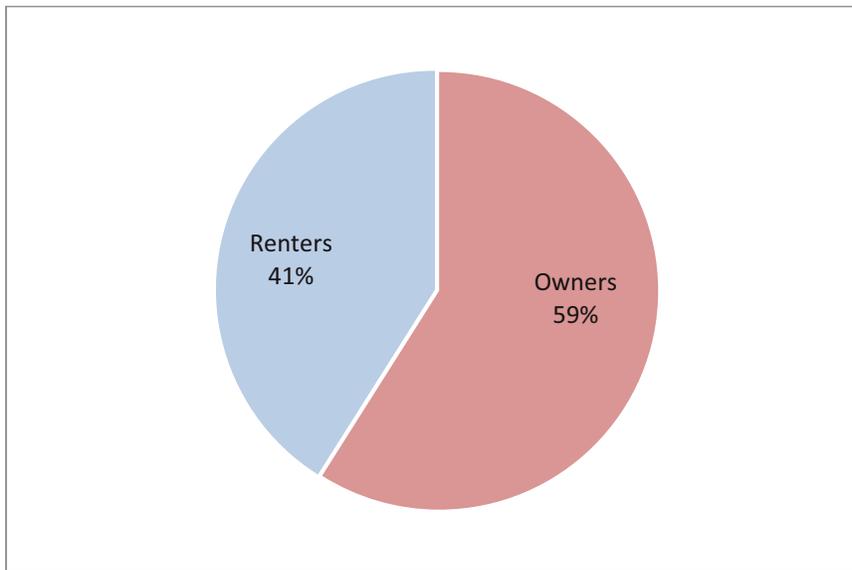
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1. Tenure

Table 1: Tenure of Concord Households

| | Households | Percent of Total |
|-----------------|---------------|------------------|
| Owner Occupied | 26,531 | 59.0% |
| Renter Occupied | 18,456 | 41.0% |
| TOTAL | 44,987 | 100.0% |

Source: American Community Survey, 2010-2014



**Chart 1:
Tenure**

Table 2: Population and Average Household Size by Tenure

| | Population | Percent of Total | Average Household Size |
|-----------------|----------------|------------------|------------------------|
| Owner Occupied | 69,393 | 56.1% | 2.62 |
| Renter Occupied | 54,365 | 43.9% | 2.95 |
| TOTAL | 123,758 | 100.0% | 2.75 |

Source: American Community Survey, 2010-2014

Findings:

- Renters represent approximately 41 percent of the City’s households and 44 percent of the City’s population.
- Renter households are slightly larger than owner-occupied households, with an average of 2.95 persons, compared to 2.62 for owners.
- Approximately 31% of all renter households have 4 or more persons, compared to 22% for owners.

2. Age of Housing Stock and Length of Residency for Renters and Owners

Table 3: Age of Householder by Tenure

| Age Group | Percent of All Households | Percent of Owners | Percent of Renters |
|----------------|---------------------------|-------------------|--------------------|
| Under 35 | 19.3% | 9.8% | 33.1% |
| 35 to 44 years | 19.7% | 16.0% | 25.1% |
| 45 to 54 years | 22.1% | 25.0% | 18.1% |
| 55 to 64 years | 17.7% | 21.8% | 11.7% |
| 65 to 74 years | 11.8% | 15.7% | 6.2% |
| 75 to 84 years | 6.3% | 8.3% | 3.5% |
| Over 85 | 3.0% | 3.4% | 2.4% |
| TOTAL | 100.0% | 100.0% | 100.0% |

Source: American Community Survey, 2010-2014

Table 4: Length of Residency by Tenure

| Year Owner Moved into Unit | Percent of All Households | Percent of Owners | Percent of Renters |
|----------------------------|---------------------------|-------------------|--------------------|
| Moved in 2010 or later | 26.6% | 11.7% | 48.1% |
| Moved in 2000-2009 | 40.1% | 36.6% | 45.2% |
| Moved in 1990-1999 | 14.5% | 21.3% | 4.8% |
| Moved in 1980-1989 | 8.7% | 13.6% | 1.6% |
| Moved in 1970-1979 | 6.1% | 10.3% | 0.1% |
| Moved in before 1970 | 3.9% | 6.5% | 0.2% |
| TOTAL | 100.0% | 100.0% | 100.0% |

Source: American Community Survey, 2010-2014

Findings:

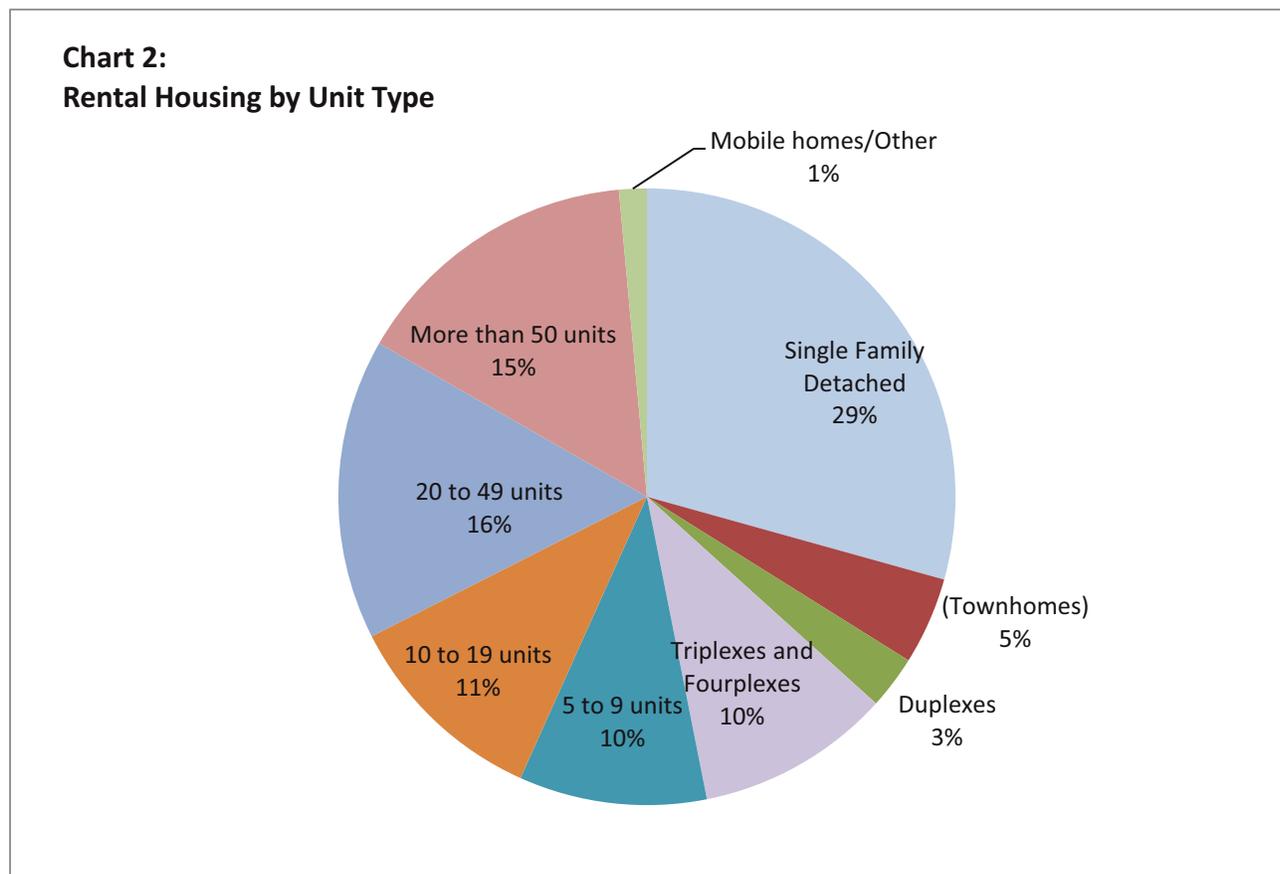
- Concord's renters tend to be much younger than Concord's owners. About one-third of the renter heads of household in the city are under 35, compared to just one-tenth of the city's homeowners
- Half (49.2%) of Concord's homeowners are 55 or over. By contrast, only 23% of the City's renters are 55 or over.
- Renters tend to move more often than homeowners, and have lived in their current residences for fewer years. Almost half (48.1%) of the City's renters moved into their homes since 2010. This compares to just 11.7% for the City's owners.
- Only about 7% of Concord's renters have been in their current place of residence since Year 2000. This compares to 52% for Concord's owners.

3. Characteristics of Housing by Tenure

Table 5: Housing Type by Tenure

| Housing Type | All Occupied Units | Owner-Occupied | Renter-Occupied |
|------------------------------------|--------------------|----------------|-----------------|
| Single Family Detached | 27,449 | 22,036 | 5,413 |
| Single Family Attached (Townhomes) | 2,398 | 1,554 | 844 |
| Duplexes | 637 | 123 | 514 |
| Triplexes and Fourplexes | 2,359 | 477 | 1,882 |
| 5 to 9 units | 2,574 | 759 | 1,815 |
| 10 to 19 units | 2,156 | 161 | 1,995 |
| 20 to 49 units | 3,102 | 194 | 2,908 |
| More than 50 units | 3,019 | 202 | 2,817 |
| Mobile homes | 1,194 | 944 | 250 |
| Other | 99 | 81 | 18 |
| TOTAL | 44,987 | 26,531 | 18,456 |

Source: American Community Survey, 2010-2014



Source: American Community Survey, 2010-2014

Table 6: Unit Type by Household Size for Renters

| | 1 person household | 2 person household | 3 person household | 4 person household | 5 or more persons |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Single family home or townhome | 617 | 1,405 | 1,674 | 1,430 | 1,131 |
| 2-4 unit building | 648 | 534 | 454 | 400 | 360 |
| 5-19 unit building | 1,000 | 995 | 801 | 612 | 402 |
| 20-49 unit building | 779 | 803 | 329 | 555 | 442 |
| 50+ unit building | 1,514 | 644 | 416 | 91 | 152 |
| Mobile home/other | 34 | 39 | 85 | 18 | 82 |
| Total | 4,592 | 4,430 | 3,759 | 3,106 | 2,569 |

Source: American Community Survey, 2010-2014

Table 7: Age of Housing Stock by Tenure

| Year Unit Built | All Occupied Units | % of total | Owner-Occupied | % of total | Renter-Occupied | % of total |
|-----------------|--------------------|---------------|----------------|---------------|-----------------|---------------|
| 2010 or later | 71 | 0.2% | 71 | 0.3% | 0 | 0.0% |
| 2000 to 2009 | 2,153 | 4.8% | 1,250 | 4.7% | 903 | 4.9% |
| 1990 to 1999 | 2,429 | 5.4% | 1,108 | 4.2% | 1,321 | 7.2% |
| 1980 to 1989 | 5,822 | 12.9% | 2,683 | 10.1% | 3,139 | 17.0% |
| 1970 to 1979 | 11,942 | 26.5% | 6,059 | 22.8% | 5,883 | 31.9% |
| 1960 to 1969 | 10,564 | 23.5% | 6,942 | 26.2% | 3,622 | 19.6% |
| 1950 to 1959 | 8,786 | 19.5% | 6,556 | 24.7% | 2,230 | 12.1% |
| 1940 to 1949 | 2,556 | 5.7% | 1,512 | 5.7% | 1,044 | 5.7% |
| 1939 or earlier | 664 | 1.5% | 350 | 1.3% | 314 | 1.7% |
| TOTAL | 44,987 | 100.0% | 26,531 | 100.0% | 18,456 | 100.0% |

Source: American Community Survey, 2010-2014. Renter occupied units in this table include single family homes and townhomes

Findings:

- About 30% of Concord’s renter households reside in single family detached homes. Another 4% reside in townhomes and 1% in mobile homes.
- There are roughly 11,900 Concord renters in multi-family (2 or more unit) buildings. Of this total, about 2,400 (20%) live in 2-4 unit buildings, 3,800 (32%) live in 5-19 unit buildings, and 5,700 (48%) live in buildings with 20 or more units. Some of these renters are occupying condominiums with absentee owners, while others are in apartments.
- Less than 10% of Concord’s homeowners (1,916 households) live in multi-family units.
- 86% of the occupied multi-family units (11,931/13,847) in the city contain renter households.
- Larger renter households are more likely to live in single family homes than in large (20+ unit) apartment buildings
- More than half of the City’s rental housing stock was built between 1960 and 1979.
- About 32% of the City’s renters are in units built since 1980, compared to 25% for owners.
- According to the US Census, there have been no rental housing units added in Concord since 2010.

4. Percent of Income Spent on Housing

Table 8: Rent as a Percentage of Household Income (for all renters)

| Percent of Income Spent on Rent | Number of Households | Percent of Total |
|---------------------------------|----------------------|------------------|
| Less than 15 percent | 1,228 | 6.9% |
| 15 to 19.9 percent | 2,171 | 12.2% |
| 20 to 24.9 percent | 2,005 | 11.3% |
| 25 to 29.9 percent | 2,259 | 12.7% |
| 30 to 34.9 percent | 1,707 | 9.6% |
| 35.0 percent or more | 8,449 | 47.4% |
| <i>Subtotal</i> | 17,819 | 100.0% |
| <i>Not computed</i> | 657 | |
| Total | 18,456 | |

Source: American Community Survey, 2010-2014

Table 9: Housing Cost Burden for Low Income Renter Households

| Annual Income | Percent of Annual Income Spent on Rent | | | | | <i>Not Computed</i> | Total |
|--|--|--------------|--------------|--------------|--------------|---------------------|---------------|
| | < 20% | 20-29.9% | 30-39.9% | 40-49.9% | 50% + | | |
| Less than \$20,000 | 0 | 150 | 293 | 236 | 2,921 | 347 | 3,947 |
| \$20,000-\$34,999 | 12 | 86 | 522 | 618 | 1,978 | 54 | 3,270 |
| \$35,000-\$49,999 | 71 | 732 | 1,147 | 481 | 413 | 43 | 2,887 |
| \$50,000-\$74,999 | 464 | 1,819 | 710 | 409 | 112 | 23 | 3,537 |
| Renter Households with incomes below \$75,000 | 547 | 2,787 | 2,672 | 1,744 | 5,424 | 467 | 13,641 |

Source: American Community Survey, 2010-2014

Findings:

- Many Concord renters face extreme housing cost burdens
- Nearly half of Concord's 18,456 tenant households spend more than 35% of their annual incomes on housing
- About 74% of Concord's renter households earn less than \$75,000 annually
- Among renters earning less than \$75,000 annually, about 40% (5,424 households) are spending more than half of their annual incomes in rent
- About 40% of Concord's renter households earn less than \$40,000 annually
- Among renters earning less than \$40,000 annually, about two-thirds (4,899 households) are spending more than half of their annual incomes in rent

5. Rental Housing by Unit and Property Type

Table 10: Number of Rental Units by Building Size*

| | Number of Units | % of Total |
|---|-----------------|---------------|
| Duplexes | 428 | 4.3% |
| 3 units and homes with 2-3 rental units on-site | 98 | 1.0% |
| 4 units | 687 | 6.8% |
| 5-12 units | 1,029 | 10.2% |
| 13-24 units | 784 | 7.8% |
| 25-59 units | 2,545 | 25.3% |
| More than 60 units | 4,482 | 44.6% |
| Total Multi-Family Rental Units | 10,053 | 100.0% |

Source: Contra Costa County Tax Assessor, 2016

* Note: The Contra Costa County Assessor indicates that there are 10,053 units in Concord in properties classified as “multi-family rental.” This is approximately 1,878 units fewer than the number of multi-family renter households reported by the US Census. Most of the difference is attributed to renters occupying condominium units with absentee owners. However, the Assessor may also be under-reporting units in 60+ unit projects.

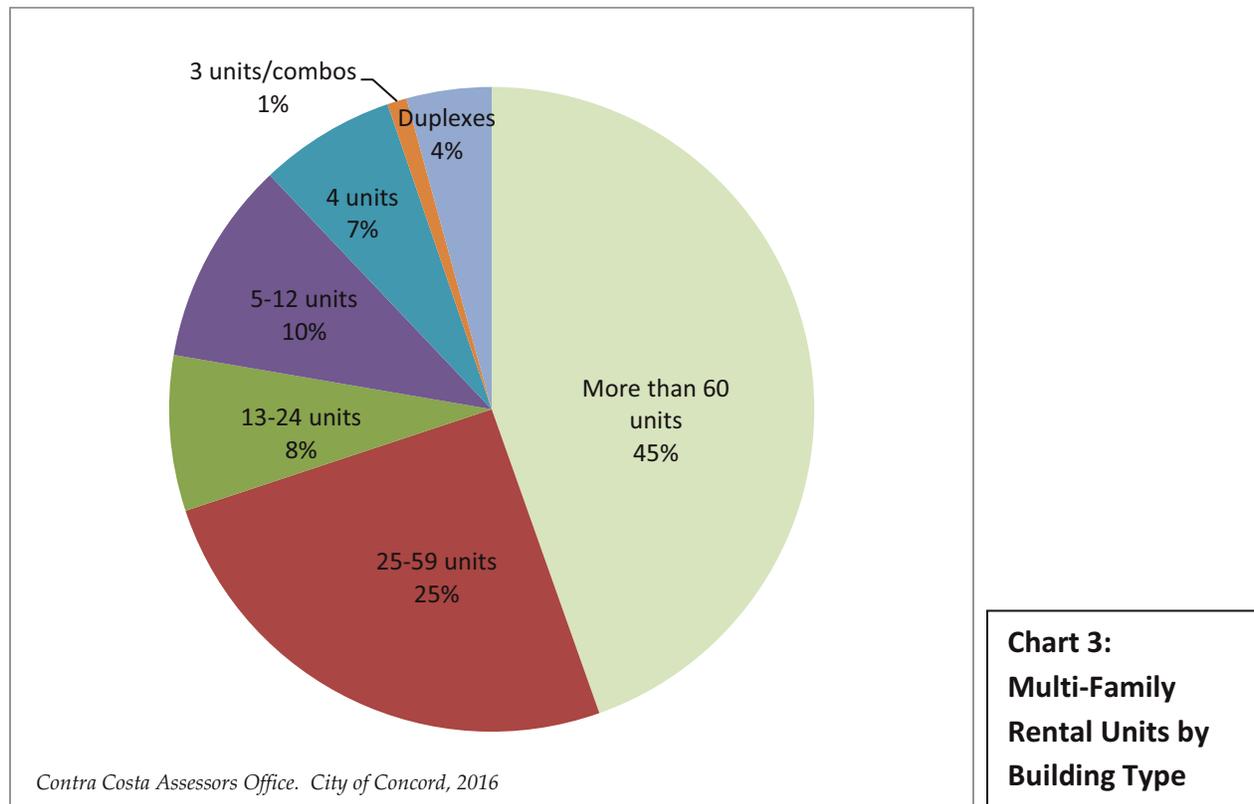
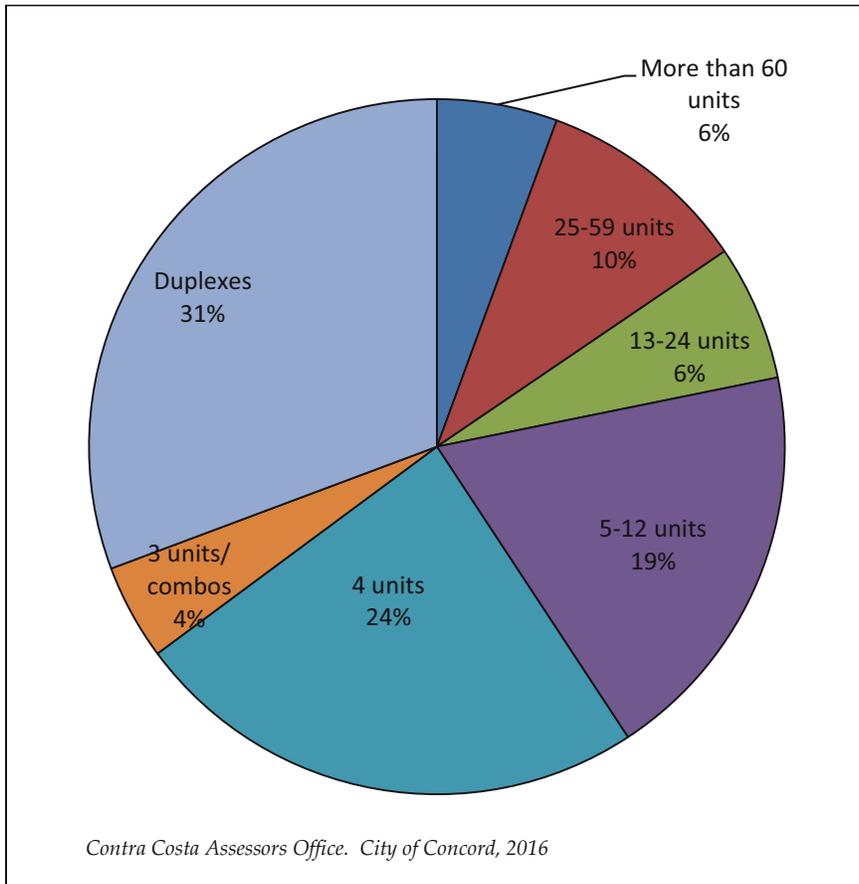


Table 11: Number of Rental Properties by Building Size

| Building Size | Number of Properties | % of Total |
|---|-----------------------------|-------------------|
| Duplexes | 214 | 30.7% |
| 3 units and homes with 2-3 rental units on-site | 31 | 4.4% |
| 4 units | 168 | 24.1% |
| 5-12 units | 132 | 18.9% |
| 13-24 units | 44 | 6.3% |
| 25-59 units | 69 | 9.9% |
| More than 60 units | 39 | 5.6% |
| Total Multi-Family Rental Units | 697 | 100.0% |

Source: Contra Costa County Tax Assessor, 2016



**Chart 4:
Multi-Family Rental
Properties by Building
Type**

Table 12: Multi-Family Property Ownership

| Multi-Family Properties Owned | Number of Owners | Number of Properties |
|-------------------------------|------------------|----------------------|
| Owner has one property only | 418 | 418 |
| Owner has two properties | 65 | 130 |
| Owner has three properties | 16 | 48 |
| Owner has 4-5 properties | 3 | 14 |
| Owner has 6-7 properties | 3 | 19 |
| Owner has 8+ properties | 3 | 44 |
| Total | 508 | 673 (*) |

Source: Landvision, City of Concord, 2016

Note: Total number of multi-family properties shown here (673) is slightly less than Table 11 due to different data source. Ownership data is not available for approximately 24 parcels.

Table 13: Concord's 20 Largest Rental Apartment Complexes

| Property | Number of Units | Year of Construction | Comments |
|---|-----------------|----------------------|-----------------------------|
| 780 Oak Grove (Palm Lake) | 300 | 1971 | Market Rate |
| 2751 Monument (Clayton Crossing) | 290 | 1973 | Income Restricted |
| 1655 Galindo (Park Central) | 259 | 2002 | Market Rate |
| 1441 Detroit (Terra) | 218 | 1971 | Market Rate |
| 5255 Clayton (Clayton Creek) | 208 | 1986 | Market Rate |
| 1265 Monument (Sunridge) | 198 | 1965 | Income Restricted |
| 2222 Pacheco (The Heritage) | 196 | 1975 | Senior Housing |
| 1447 Balhan (Arcadian) | 192 | 1986 | Market Rate |
| 2925 Monument (Palm Terrace) | 189 | 1970 | Market Rate |
| 1700 Broadway (Chateau/ Carlton Senior) | 153 | 1990 | Mixed Income Senior Housing |
| 4672 Melody (Vintage Brook) | 148 | 2000 | Income Restricted |
| 1825 Galindo (Renaissance Square) | 132 | 2008 | Market Rate |
| 4220 Clayton (Clayton Gardens) | 131 | 1979 | Market Rate |
| 5378 Clayton (Crossroads) | 130 | 1987 | Market Rate |
| 1032 Mohr (Hidden Creek Townhomes) | 130 | 1968 | Income Restricted |
| 1650 Pine (Park Haven) | 125 | 1969 | Market Rate |
| 1897 Oakmead (Lakeside) | 124 | 1961 | Income Restricted |
| 1070 San Miguel (Summit at Lime Ridge) | 120 | 1974 | Market Rate |
| 1160 Meadow (Pine Meadows) | 120 | 1970 | Market Rate |
| 2520 Ryan (Sycamore Green) | 110 | 1969 | Market Rate |
| TOTAL | 3,473 | | |

Source: Contra Costa County Assessor's Office, City of Concord, 2016

Table 14: Housing Units with Affordability Restrictions

| Property Name | Street | Total Units | Affordable Units | Occupancy | Comments |
|---|--------------------------------|-------------|------------------|------------------|-------------------------------------|
| Virginia Apartments | 1140 Virginia Lane | 91 | 37 | Family | Eden Housing |
| | 1121 Virginia Lane | | 52 | | |
| 1750 Diane Court | 1750 Diane Court | 10 | 4 | Family | RDA project |
| Caldera Place | 2401 Bonifacio St | 12 | 11 | Dev Disabled | RDA project |
| Camara Circle | 2501/2513 Camara Cir. | 52 | 51 | Family | RDA project |
| Chateau on Broadway (Carlton Sr Living) | 1700 Broadway | 153 | 31 | Senior | RDA project, mixed income |
| Concord Residential | 2141 California St | 20 | 10 | Dev Disabled | RDA project, mixed income |
| El Sol Apartments | 1890 Farm Bureau | 25 | 10 | Family | RDA project, mixed income |
| Jordan Court II | 2244, 2248, 2250 Almond Avenue | 5 | 4 | Family | RDA, expires 2019 |
| Lakeside Apartments | 1897 Oakmead Dr | 124 | 122 | Family | LIHTC project |
| Las Casitas | 1181 Detroit Av | 10 | 4 | Family | RDA project |
| Plaza Tower | 2020 Grant Street | 96 | 95 | Senior | |
| Riley Court | 2050, 2051 Riley Ct | 32 | 31 | Family | Resources for Community Development |
| | 2061 Riley Ct | 48 | 47 | | |
| Victoria Apartments | 1660, 1670, 1680 Detroit | 12 | 12 | Family | RDA project |
| Vintage Brook | 4872 Melody Drive | 148 | 147 | Senior | RDA project |
| Windsor Park Apts | 1531, 1611 Adelaide St | 96 | 95 | Family | RDA project |
| Windsor Park West | 1601-1621 Pine St | 43 | 42 | Family | RDA project |
| California Apartments | 1621 Detroit Av | 35 | 9 | Family | RDA project |
| Clayton Villa | 4450 Melody | 79 | 78 | Senior | |
| Kirker Court | 1730 Kirker Pass Rd | 20 | 20 | Family | Peace Grove, Inc. |
| LaVista | 3838 Clayton Road | 75 | 74 | Family | |
| Phoenix Apts | 3720 Clayton Road | 11 | 11 | Senior/ Disabled | |
| Sun Ridge Apts | 1265 Monument Blvd | 198 | 197 | Family | |
| Clayton Crossing | 2751 Monument Blvd | 296 | 295 | Family | |
| Hidden Creek Townhomes | 1032 Mohr | 128 | 128 | Family | |
| The Heritage | 2222 Pacheco | 196 | 196 | Senior | |
| 1890 Robin lane | 1890 Robin Lane | 16 | 16 | Family | |
| 2549 Camara Circle | 2549 Camara Circle | 12 | 12 | Family | Camara Housing Associates |
| Bel Air Apartments | 1490 Bel Air | 86 | 18 | Family | |
| TOTAL | | | 1,859 | | |

Table 15: Potential Units Eligible for Participation in Rent Stabilization

| Building Type | Number of Units (*) |
|---|----------------------------|
| Duplexes, excluding affordable units | 428 |
| <i>Built before 1995 (212 properties)</i> | 424 |
| 3 units and homes with 2-3 rental units on-site, excluding affordable units | 98 |
| <i>Built before 1995 (30 properties)</i> | 98 |
| 4 units, excluding affordable units | 651 |
| <i>Built before 1995 (163 properties)</i> | 651 |
| 5-12 units, excluding affordable units | 953 |
| <i>Built before 1995 (121 properties)</i> | 933 |
| 13-24 units, excluding affordable units | 731 |
| <i>Built before 1995 (39 properties)</i> | 698 |
| 25-59 units, excluding affordable units | 2,160 |
| <i>Built before 1995 (59 properties)</i> | 2,124 |
| 60+units, excluding affordable units | 3,456 |
| <i>Built before 1995 (27 properties)</i> | 3,065 |
| Total Market Rate, built before 1995 (651 properties) | 7,993 |

Source: Contra Costa County Assessor Data, City of Concord 2016

Findings:

- There are roughly 700 parcels in the City developed with multi-family rental housing. These parcels contain just over 10,000 units.
- Nearly half of all Concord's multi-family housing is located in complexes with 60 or more units. However, these properties represent only 5.6 % of the multi-family properties in the city.
- Concord has a large number of small landlords. Nearly 60 % of the multi-family properties in the city contain 2-4 unit buildings (403 out of 697 properties). However, these parcels contain just 12 % of the city's apartments.
- The roughly 700 rental properties in the City are owned by about 500 different owners. About 82% of rental building owners own only a single parcel. About 13% own two properties. Only 5% own three or more, with three companies owning more than eight rental properties each.
- No single owner appears to control more than 325 units of the City's rental housing stock.
- The 20 largest apartment complexes in Concord collectively have 3,473 units, or about 34 percent of the total apartments in the City.
- Of the 20 largest apartment complexes, two are senior housing and five are income-restricted through tax credits or former redevelopment agency programs. Three of the complexes (including one that is "affordable") were built after 1995.
- There are 1,859 multi-family rental units with occupancy restrictions relating to age or income (e.g., "affordable housing"). This represents 18% of the multi-family rental stock.
- It is presumed that "affordable" units and units built after 1995 would not participate in a rent stabilization program. When these units are removed from the data base, approximately 8,000 rental units in the city remain.
- The 8,000 units are located on 651 properties. If buildings with four units or less are excluded (405 properties), only 246 properties would remain. However, these 246 properties include 6,820 units and encompass 85% of the total.

6. Rental Apartment Bedroom Count

Table 16: Number of Bedrooms in Rental Apartments by Building Type(*)

| Building Size | Studios | 1-Bedroom | 2-Bedroom | 3+ Bedrooms | TOTAL |
|---------------|------------|--------------|--------------|-------------|--------------|
| 5-12 units | 9 | 219 | 425 | 22 | 675 |
| 13-24 units | 50 | 257 | 493 | 13 | 813 |
| 25-59 units | 46 | 1,028 | 1,045 | 60 | 2,179 |
| 60+ units | 163 | 2,554 | 2,536 | 299 | 5,552 |
| TOTAL | 268 | 4,058 | 4,499 | 394 | 9,219 |

Source: Costar, City of Concord, 2016

(*) Data is not available for Buildings with 4 units or less. Data is also missing for some of the buildings in the inventory, resulting in a different number of units than is shown in Table 10.

Table 17: Percent of Units by Bedroom Type

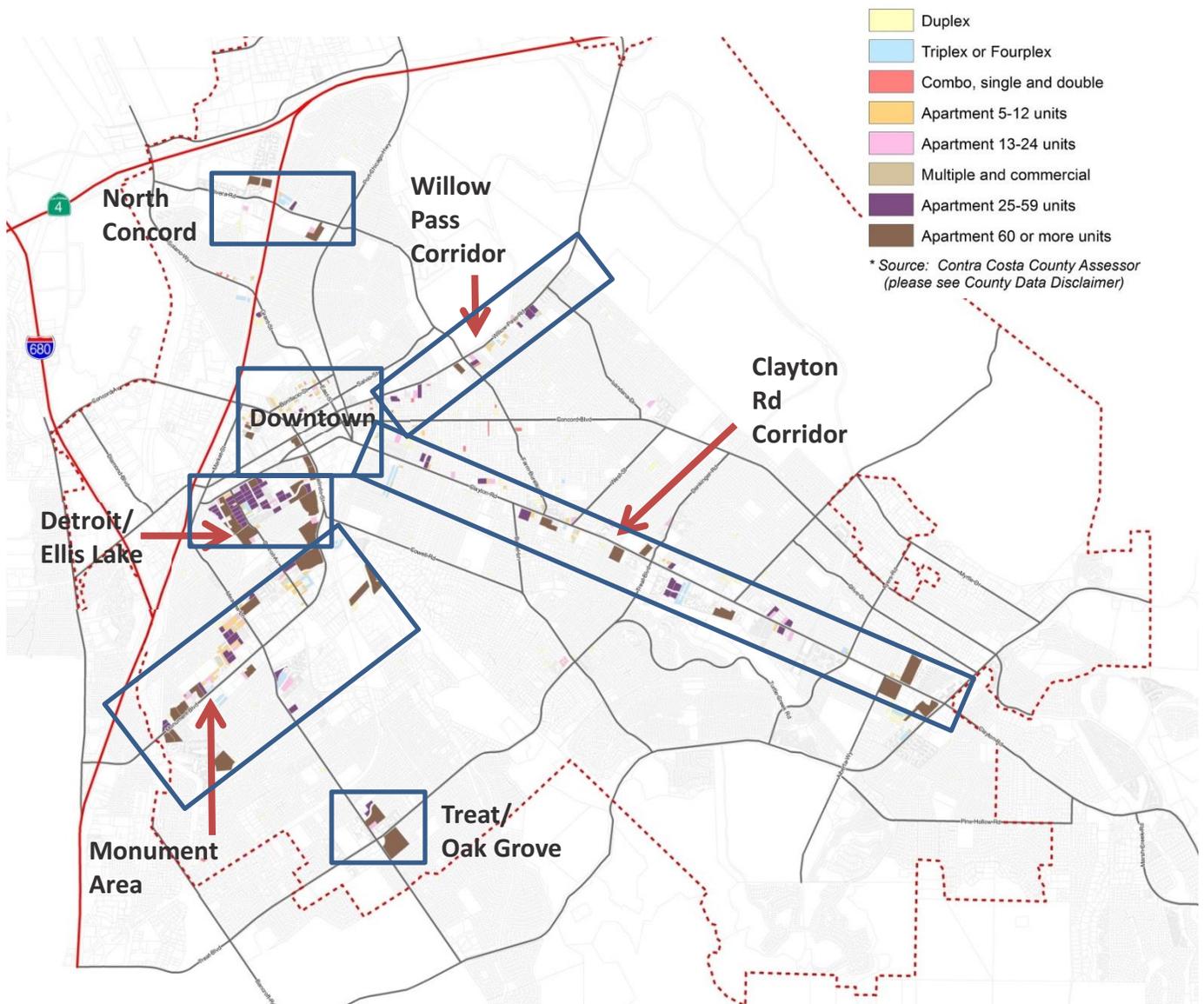
| Building Size | Studios | 1-Bedroom | 2-Bedroom | 3+ Bedrooms | TOTAL |
|---------------|-------------|--------------|--------------|-------------|---------------|
| 5-12 units | 1.3% | 32.4% | 63.0% | 3.3% | 100.0% |
| 13-24 units | 6.2% | 31.6% | 60.6% | 1.6% | 100.0% |
| 25-59 units | 2.1% | 47.2% | 48.0% | 2.8% | 100.0% |
| 60+ units | 2.9% | 46.0% | 45.7% | 5.4% | 100.0% |
| TOTAL | 2.9% | 44.0% | 48.8% | 4.3% | 100.0% |

Source: Costar, City of Concord, 2016

Findings:

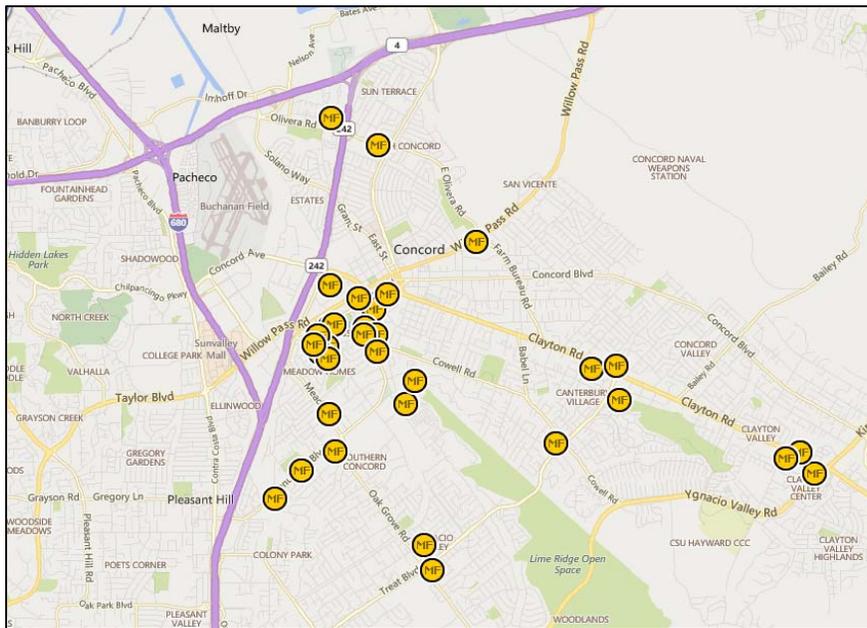
- Most apartments in the City have one or two bedrooms. One bedroom units represent 44% of the total and two bedroom units represent 49%.
- Less than 3% of Concord's rental apartments are studios and just over 4% have three or more bedrooms.
- The City's smaller apartment complexes (less than 25 units) include higher percentages of two-bedroom units, although the actual number of two-bedroom units is still much higher in the larger complexes.
- The larger complexes include higher percentages of one bedroom units.

7. Location of Multi-Family Rental Housing

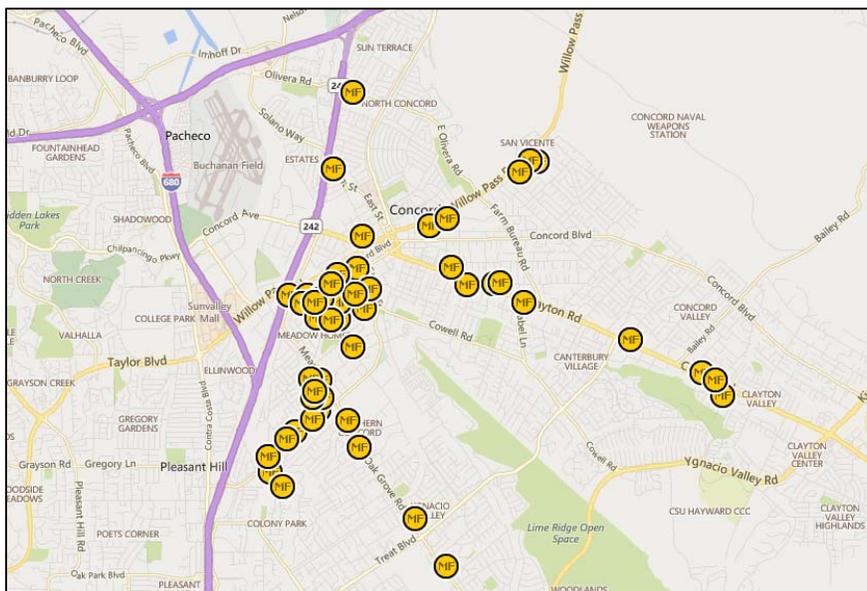


Findings:

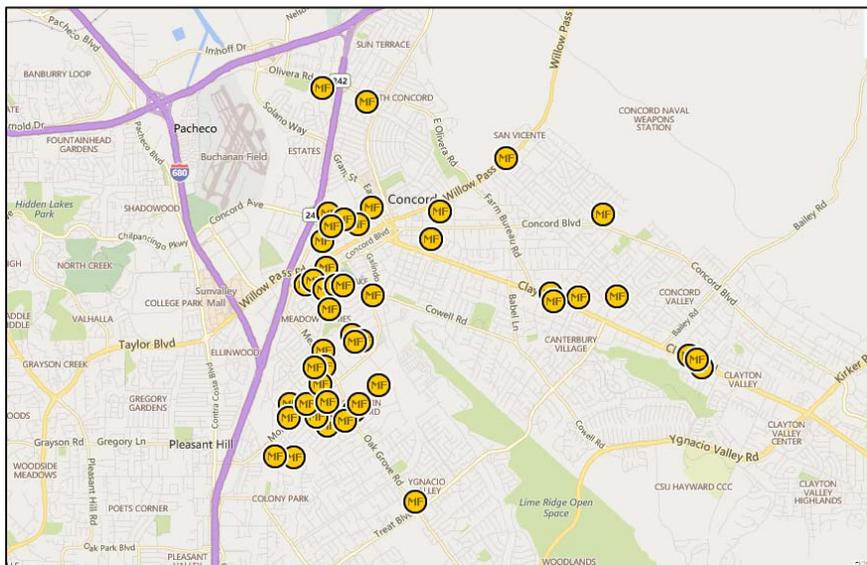
- Multi-family housing occupies 680 acres, or about 3.5% of Concord’s land area. The map above shows only rental complexes, which represent about three-quarters of the total multi-family acreage (roughly 500 acres).
- Multi-family housing is heavily concentrated in the Monument area, the Detroit Avenue/ Ellis Lake area, North Downtown, the Clayton Road corridor, and the Willow Pass corridor.
- Small complexes (2-4 units) are located throughout the City but are especially prevalent in the older neighborhoods north of Downtown.



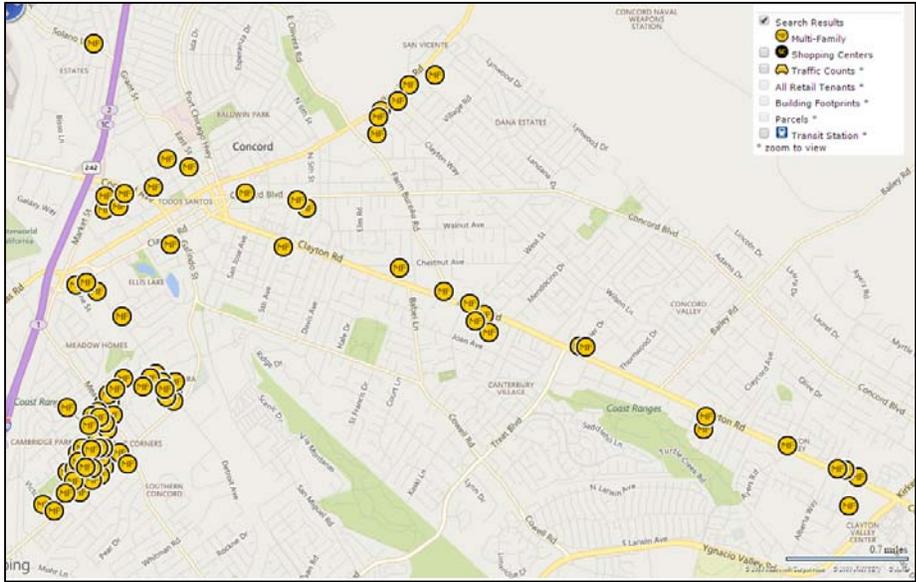
Apartment complexes with 60 or more units



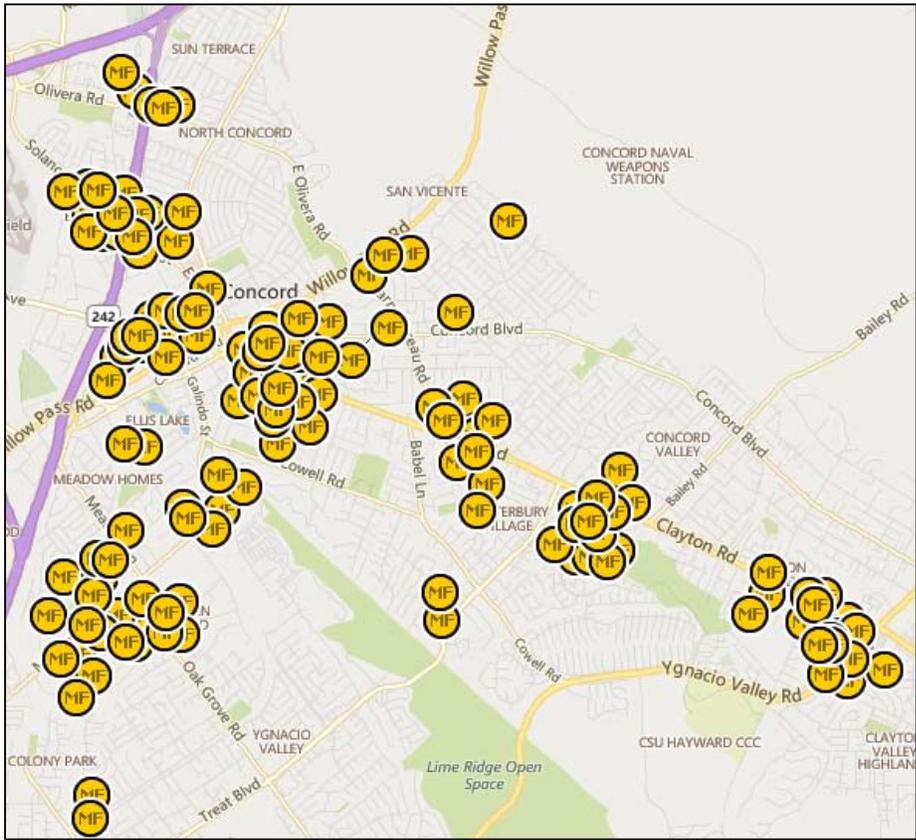
Apartment complexes with 25-59 units



Apartment complexes with 13-24 units



Apartment complexes with 5-12 units



2-4 unit buildings

Source: Costar, City of Concord, 2016

Data for 2-4 unit buildings does not represent all properties

8. Jobs-Housing Balance Data

Table 18: Jobs Housing Balance: 2010 and 2040 for Concord and Other Geographies

| Geographic Area | 2010 | | | 2040 | | |
|---------------------------------|------------|-----------|-------|------------|-----------|-------|
| | Households | Jobs | Ratio | Households | Jobs | Ratio |
| Bay Area | 2,607,000 | 3,422,000 | 1.31 | 3,422,000 | 4,698,000 | 1.37 |
| Contra Costa County | 375,900 | 360,200 | 0.96 | 491,200 | 472,700 | 0.96 |
| Alameda County | 548,000 | 705,500 | 1.29 | 724,700 | 978,300 | 1.35 |
| <i>Selected East Bay Cities</i> | | | | | | |
| Concord | 45,000 | 54,200 | 1.20 | 66,000 | 95,200 | 1.44 |
| Walnut Creek | 30,400 | 51,050 | 1.68 | 38,200 | 54,550 | 1.43 |
| Pleasant Hill | 13,500 | 16,300 | 1.21 | 14,000 | 19,600 | 1.40 |
| Lafayette | 9,200 | 9,050 | 0.98 | 10,750 | 9,650 | 0.90 |
| Martinez | 14,250 | 20,800 | 1.46 | 15,450 | 26,200 | 1.70 |
| San Ramon | 24,400 | 47,900 | 1.96 | 31,100 | 46,100 | 1.48 |
| Pittsburg | 19,400 | 11,800 | 0.61 | 27,400 | 16,400 | 0.60 |
| Antioch | 32,400 | 20,200 | 0.62 | 41,900 | 25,400 | 0.61 |
| Pleasanton | 24,700 | 60,100 | 2.43 | 34,600 | 69,900 | 2.02 |
| Livermore | 28,600 | 42,600 | 1.49 | 30,900 | 48,800 | 1.58 |
| Dublin | 14,900 | 18,100 | 1.21 | 23,300 | 31,400 | 1.35 |

Source: ABAG Draft Plan Bay Area Preferred 2040 Scenario (August 30, 2016). Note: These forecasts are considered a Working Draft by ABAG and have not been formally adopted. They are intended to guide update of Plan Bay Area, the regional plan and Sustainable Communities Strategy for the Bay Area for the next 25 years.

Findings:

- The Bay Area is expected to add more than 800,000 households and 1.27 million jobs between 2010 and 2040. Contra Costa County is expected to add 116,000 households and 112,000 jobs.
- At the regional level, the ratio of jobs to households is expected to rise from 1.31 to 1.37. In Contra Costa County, the ratio is expected to stay about the same, at 0.96.
- Concord is expected to grow significantly by 2040, particularly as an employment center. The regional forecasts show 9,200 new households and 29,000 new jobs.
- Much of the employment growth will take place on the former Naval Weapons Station site.
- Concord had 1.2 jobs for every household in 2010. This ratio is projected to increase to 1.44 by 2040.
- As jobs grow at a faster rate than housing, housing costs in the city are likely to rise and there will be increased demand for the existing housing stock in the city.

9. Housing Starts and Pipeline Development in Concord

Table 20: Housing Units Added in Concord, 2010-2015

| Structure Type | Units Added |
|------------------------|-------------|
| Single Family Detached | 63 |
| Single Family Attached | 17 |
| Multi-family 2-4 units | 2 |
| Multi-family 5+ units | 0 |
| TOTAL | 82 |

Source: California Department of Finance, Table E-5

Table 21: Housing Units Added in Concord vs Other Cities, 2010-2015

| City | Single Family | Multi-Family | Total |
|----------------|---------------|--------------|-----------|
| Concord | 80 | 2 | 82 |
| Walnut Creek | 53 | 752 | 805 |
| Martinez | 223 | 0 | 223 |
| Lafayette | 70 | 180 | 250 |
| Pleasant Hill | 8 | 0 | 8 |
| Pittsburg | 792 | 121 | 913 |
| Antioch | 1,174 | -2 | 1,172 |
| San Ramon | 884 | 786 | 1,670 |
| Dublin | 2,959 | 1,354 | 4,313 |
| Pleasanton | 358 | 569 | 927 |
| Livermore | 656 | 475 | 1,131 |

Source: California Department of Finance, Table E-5

Table 22: Development in the Pipeline as of 2016

| | Number of Units | |
|------------------------------------|-----------------|--------------|
| | Single Family | Multi-Family |
| Under Construction | | |
| LaVista Villas | 8 | |
| Subtotal Under Construction | 8 | |
| Approved | | |
| Autumn Brook | 8 | |
| Chestnut Grove | 10 | |
| Enclave Townhomes | | 26 |
| Hidden Corners | 4 | |
| Pine Street Townhomes | | 8 |
| Poetry Gardens | | 28 |
| Renaissance Phase II | | 179 |
| Villa De La Vista | 12 | |
| Willows Subdivision | 7 | |
| Sub-Total Approved | 41 | 241 |
| Proposed | | |
| The Argent | | 171 |
| Casa Modernista | 8 | |
| Concord Village | | 230 |
| Four Corners Residential | | 239 |
| Sub-Total Proposed | 8 | 634 |
| GRAND TOTAL | 57 | 875 |

Source: City of Concord, 2016 2nd Quarter Current Projects Report

Findings:

- Concord’s housing starts were severely impacted by the recession, particularly when compared to other East Bay cities.
- The City grew much more slowly than nearby cities, with only 82 units added in six years and no multi-family (3+ units) housing added.
- The residential development market in Concord appears to be picking up. There are presently 875 multi-family units in the pipeline.

10. Vacancy Rates for Rental Apartments

Table 23: Average Occupancy in Concord Apartments, 2008-2016

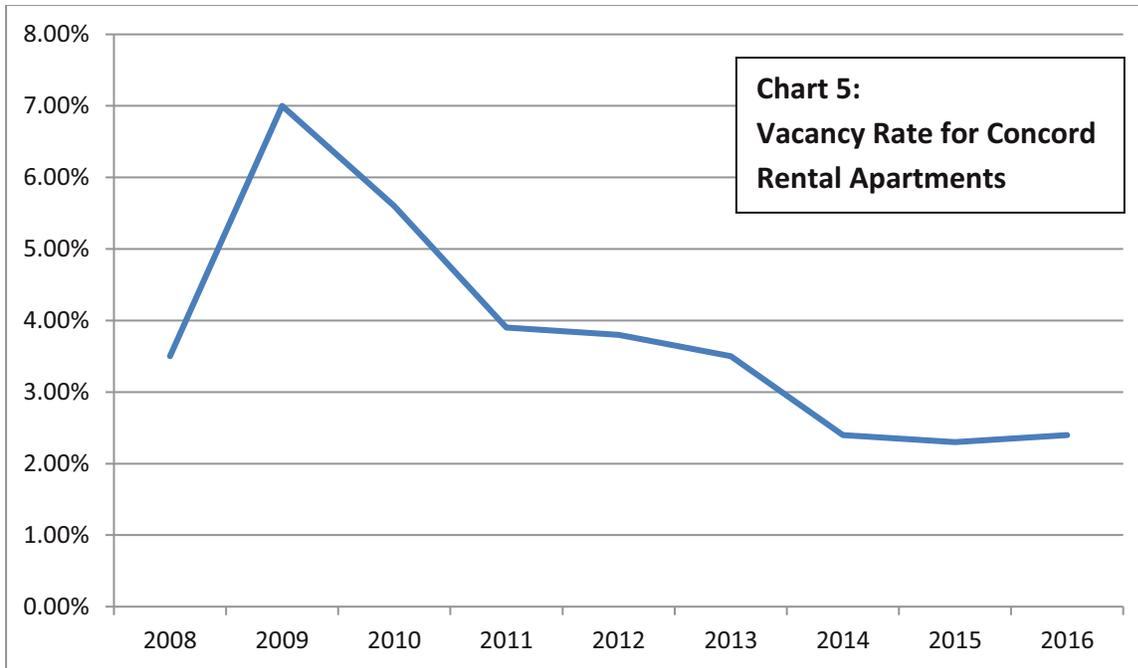
| Year | Occupancy |
|------|-----------|
| 2008 | 96.5% |
| 2009 | 93.0% |
| 2010 | 94.4% |
| 2011 | 96.1% |
| 2012 | 96.2% |
| 2013 | 96.5% |
| 2014 | 97.6% |
| 2015 | 97.7% |
| 2016 | 97.6% |

Source: RealFacts, 2st Quarter 2016

Table 24: Average Occupancy by Quarter Since April 1, 2014

| Year | Occupancy |
|------------|-----------|
| 2 Qtr 2014 | 97.7% |
| 3 Qtr 2014 | 97.7% |
| 4 Qtr 2014 | 97.9% |
| 1 Qtr 2015 | 97.1% |
| 2 Qtr 2015 | 97.7% |
| 3 Qtr 2015 | 98.2% |
| 4 Qtr 2015 | 98.0% |
| 1 Qtr 2016 | 97.6% |
| 2 Qtr 2016 | 97.8% |

Source: RealFacts, 2st Quarter 2016



Source: RealFacts, 2st Quarter 2016

Findings:

- Occupancy in Concord's apartments has increased from a 2009 recession low of 93% to a current rate of 97.8%
- The vacancy rate reached its lowest point in the third quarter of 2015, when it hit 1.8%. There has a slight increase in vacancies since that time—to about 2.2%, but the supply is still very tight.

11. Rents for Concord Apartments

Table 25: Average Rents for Concord Apartments, 2008-2016

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | Increase since 2012 |
|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| All Units | \$1,177 | \$1,139 | \$1,121 | \$1,187 | \$1,260 | \$1,330 | \$1,441 | \$1,625 | \$1,696 | 34.60% |
| Studio | \$881 | \$863 | \$832 | \$908 | \$1,002 | \$1,105 | \$1,242 | \$1,341 | \$1,385 | 38.30% |
| 1bd 1bth | \$1,015 | \$975 | \$948 | \$1,004 | \$1,069 | \$1,136 | \$1,224 | \$1,403 | \$1,474 | 37.90% |
| 2bd 1bth | \$1,155 | \$1,134 | \$1,113 | \$1,137 | \$1,182 | \$1,226 | \$1,328 | \$1,499 | \$1,587 | 34.20% |
| 2bd 2bth | \$1,399 | \$1,338 | \$1,323 | \$1,443 | \$1,536 | \$1,640 | \$1,785 | \$1,978 | \$2,042 | 32.90% |
| 2bd TH | \$1,345 | \$1,353 | \$1,371 | \$1,403 | \$1,496 | \$1,534 | \$1,692 | \$1,915 | \$1,998 | 33.60% |
| 3bd 2bth | \$1,464 | \$1,400 | \$1,388 | \$1,429 | \$1,480 | \$1,495 | \$1,584 | \$1,617 | \$1,575 | 6.50% |
| 3bd TH | \$1,477 | \$1,531 | \$1,578 | \$1,560 | \$1,731 | \$1,737 | \$1,929 | \$2,189 | \$2,345 | 35.50% |

Source: Realfacts, 2016

Table 26: Year Over Year Percentage Increase, 2012-2016

| | 2012-2013 | 2013-2014 | 2014-2015 | 2015-2016 |
|------------------|-------------|-------------|--------------|-----------------|
| All Units | 5.6% | 8.3% | 12.8% | 4.4% (*) |
| Studio | 10.3% | 12.4% | 8.0% | 3.3% |
| 1bd 1bth | 6.3% | 7.7% | 14.6% | 5.1% |
| 2bd 1bth | 3.7% | 8.3% | 12.9% | 5.9% |
| 2bd 2bth | 6.8% | 8.8% | 10.8% | 3.2% |
| 2bd TH | 2.5% | 10.3% | 13.2% | 4.3% |
| 3bd 2bth | 1.0% | 6.0% | 2.1% | -3.6% |
| 3bd TH | 0.3% | 11.1% | 13.5% | 7.1% |

Source: Realfacts, 2016, City of Concord, 2016

(*) 4.4% represents increase between 2015 and the first quarter of 2016 only. Continued increases occurred in second and third quarters.

Table 27: Rent Increases Per Square Foot for Buildings in Different Size Categories

| | 1 st Qtr 2012 | 3 rd Qtr 2016 | Increase |
|--------------------|--------------------------|--------------------------|--------------|
| 5-12 units | \$1.27 | \$1.58 | 25.2% |
| 13-24 units | \$1.32 | \$1.72 | 30.3% |
| 25-59 units | \$1.33 | \$1.76 | 32.3% |
| 60+ units | \$1.45 | \$2.02 | 39.3% |

Source: Costar, City of Concord, 2016

Effective Rent Per Unit by Bedroom - Concord Avg Rent 16+ units 6/2/2016

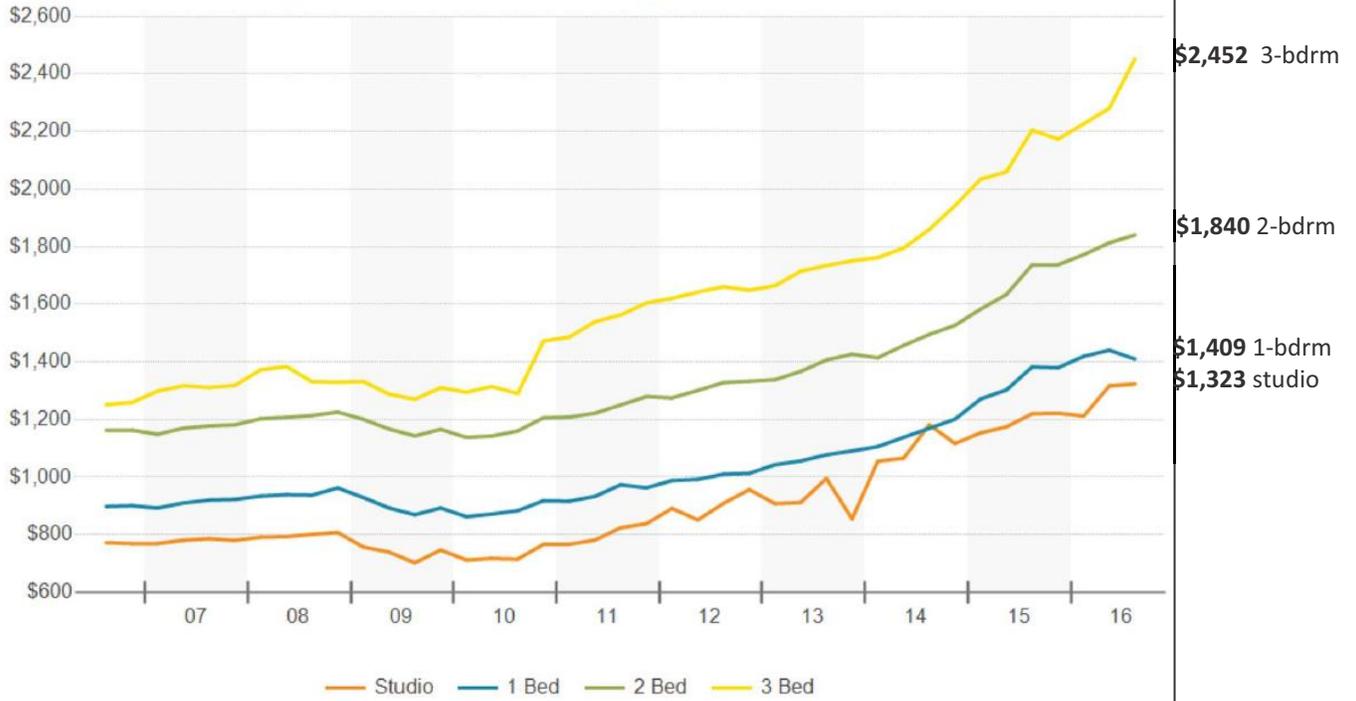


Chart 6: Effective Rent Per Unit by Bedroom in Concord

Findings:

- According to private industry sources (Realfacts), the average rent for an apartment in Concord was \$1,696 in 2016.
- Average rents varied from \$1,385 for a studio, \$1,474 for a one-bedroom / one-bath, and \$2,042 for a two-bedroom/ two bath.
- Apartment rents increased by 34.6% between 2012 and 2016. The rate of increase was fairly consistent across unit types, with a 38% increase for studios and one-bedroom apartments, and a 32% increase for two-bedroom apartments.
- During the last four years, the greatest period of increase was in 2014-2015, when rents rose by 12.8%. The increases appear to have been more gradual in the past year, with 4.4% reported.
- Rents tend to be higher in larger complexes than in smaller complexes. For instance, Costar data indicates that complexes with 60 or more units rented for an average of 28% more than complexes with 5-12 units.
- The higher rents for large apartment complexes is due in part to the presence of “luxury” complexes such as Renaissance Square and Park Central in the large complex category. Similar newer, amenity-rich complexes are absent in the smaller categories.
- Rents increased at a faster rate in the larger complexes than in the smaller ones. Between 2012 and 2016, complexes with more than 60 units saw average rent increases of almost 40%, compared to 25% for complexes with 5-12 units (based on Costar data)

12. Concord Rents Relative to Other Contra Costa County Cities

Table 28: Concord Rents Compared to Nearby Contra Costa Cities, 2016

| City (in ranked order) | Average Rent |
|------------------------|--------------|
| Walnut Creek | \$2,322 |
| San Ramon | \$2,227 |
| Pleasant Hill | \$2,040 |
| Martinez | \$1,973 |
| Concord | \$1,760 |
| Richmond | \$1,687 |
| Pittsburg | \$1,635 |
| San Pablo | \$1,599 |
| Antioch | \$1,478 |

Source: Realfacts, 2016

Table 29: Year Over Year Rent Growth, Concord and Nearby Contra Costa Cities, 2015-2016

| City (in ranked order) | Average Rent Increase, 2 nd Qtr 2015-2 nd Qtr 2016 |
|------------------------|---|
| Martinez | 13.1% |
| Walnut Creek | 12.1% |
| Antioch | 10.4% |
| Concord | 8.3% |
| San Pablo | 8.1% |
| Richmond | 7.7% |
| Pittsburg | 7.4% |
| Pleasant Hill | 5.8% |
| San Ramon | 0.2% |

Source: Realfacts, 2016



Chart 7: Effective Rent Per Unit, Concord, County, and East Bay

Findings:

- Relative to other cities in Contra Costa County, Concord is a “mid-range” market. The most expensive apartment markets in the County (excepting the more suburban communities with limited supply) are Walnut Creek and San Ramon. The most affordable are Antioch and San Pablo.
- Concord’s rents are about 25% lower than Walnut Creek’s and about 20% higher than Antioch’s.
- Concord’s rents remain below the East Bay average, which is even higher than the Contra Costa County average. Rents in Alameda County have increased at a slightly faster rate than rents in Contra Costa County.
- Rent increases in Concord mirror those at the Countywide level and are in the “middle of the pack” relative to other Contra Costa cities. Between 2015 and 2016, rents in Martinez and Walnut Creek increased at a substantially faster rate than Concord. However, Concord experienced a higher rate of rent inflation than Pleasant Hill, San Ramon, and Pittsburg.

13. Comparison of Advertised Rent and Industry-Reported Data

Table 30: Summary of “Craigslist” Apartment Listings for Concord on September 12, 2016 ⁽¹⁾

| | Number | Average Rent |
|----------------------------------|--------|--------------|
| Studios (including in-law units) | 5 | \$1,239 |
| One Bedroom | 30 | \$1,635 |
| Two Bedroom | 50 | \$1,990 |
| Three or More Bedroom | 10 | \$2,405 |
| Total Listings | 95 | \$1,882 |

Source: Craigslist (9/12/16), City of Concord, 2016

(1) Excludes duplicates, single family homes, and townhomes. May include units in condominium projects being offered for rent by owner.

Table 31: Comparison of Craigslist Rents and Rents reported by Industry Sources for the Same Properties, 2016

| Address | Unit Type | Rent Advertised on Craigslist | Average Rent Reported by Industry Sources | Difference |
|--------------------|-----------|-------------------------------|---|---------------|
| 1770 Adelaide | 1 bd | \$1,595 | \$1,178 | \$417 |
| 2110 California | 1 bd | \$1295 | \$987 | \$308 |
| 2175 California | 1 bd | \$1,455-\$1,475 | \$1,297 | \$168 |
| 1101 Carey | 2 bd | \$1,600 | \$1,616 | -\$16 |
| 1636 Clayton | 1 bd | \$1,750 | \$1,314 | \$436 |
| 1636 Clayton | 2 bd | \$2,150 | \$1,503 | \$647 |
| 4900 Clayton | 2 bd | \$2,100 | \$1,579 | \$521 |
| 4949 Clayton | 2 bd | \$1,995 | \$2,044 | -\$49 |
| 5378 Clayton | 1 bd | \$1,685-1,720 | \$1,875 | -\$173 |
| 5378 Clayton | 2 bd | \$1,880-1,945 | \$2,005 | -\$93 |
| 1441 Detroit | 1 bd | \$1,791 | \$1,785 | \$6 |
| 1441 Detroit | 2 bd | \$2,259-2,353 | \$2,057 | \$249 |
| 1441 Detroit | 3 bd | \$2,650 | \$2,718 | -\$68 |
| 1491 Detroit | 1 bd | \$1,595 | \$1,450 | \$145 |
| 1655 Galindo | 1 bd | \$2,178-2,232 | \$2,091 | \$114 |
| 1655 Galindo | 2 bd | \$2,850-2,887 | \$2,659 | \$210 |
| 1825 Galindo | 1 bd | \$2,493 | \$2,608 | -\$115 |
| 1825 Galindo | 2 bd | \$3,498 | \$3,093 | \$405 |
| 780 Oak Grove | 2 bd | \$2,235 | \$2,025 | \$210 |
| 1050 Oak Grove | 2 bd | \$1,850 | \$1,641 | \$209 |
| 1500 Pine | 1 bd | \$1,450 | \$1,276 | \$174 |
| 1500 Pine | 2 bd | \$1,650 | \$1,740 | -\$90 |
| 1650 Pine | 1 bd | \$1,450 | \$1,828 | -\$378 |
| 1167 St Matthew Pl | 2 bd | \$1,895 | \$1,913 | -\$18 |
| 3278 Tioga | 2 bd | \$2,110 | \$2,188 | -\$78 |
| 3066 Willow Pass | 2 bd | \$1,795 | \$1,795 | \$0 |

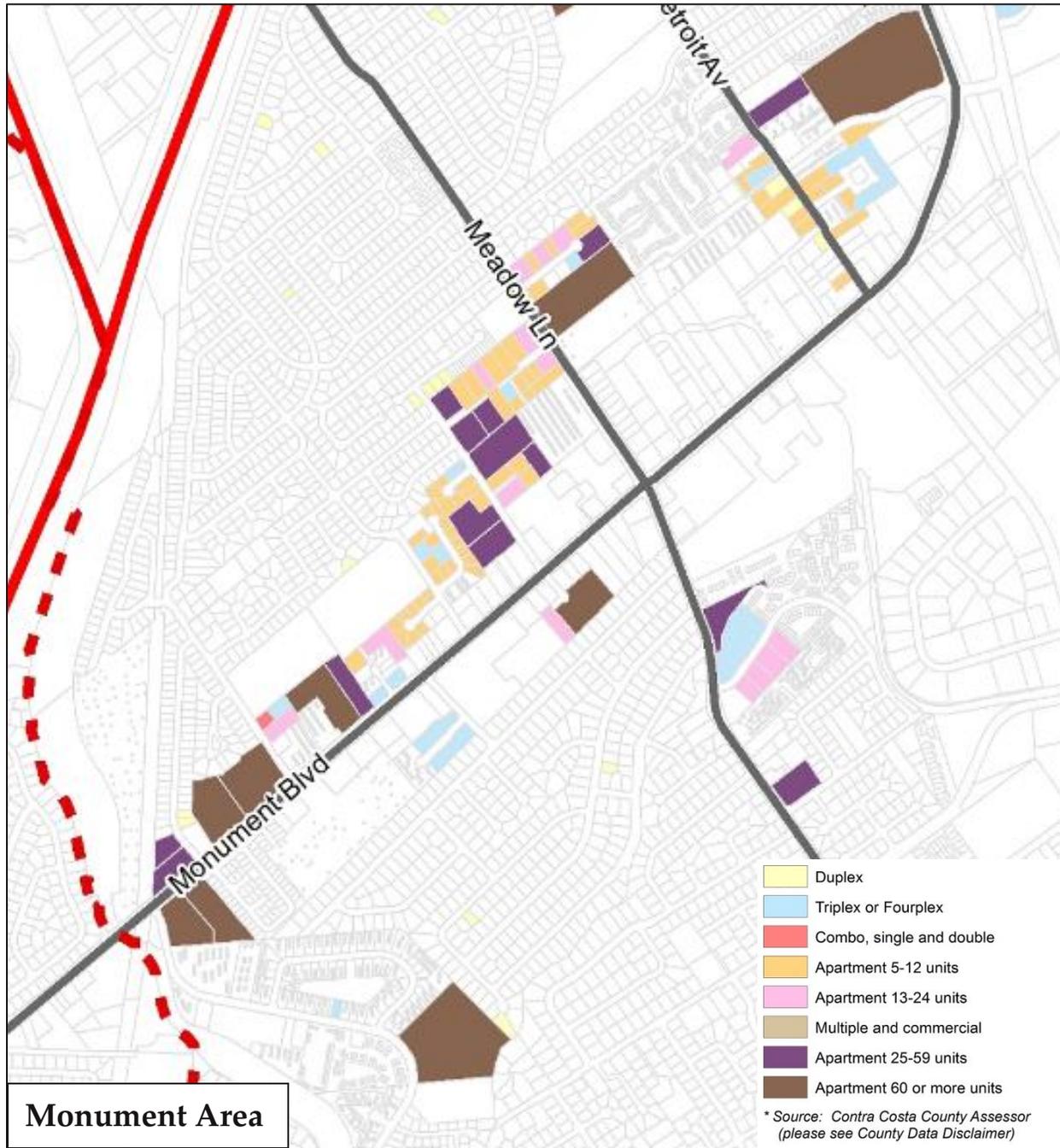
Source: Craigslist, 9/12/16 Costar, 2016, City of Concord 2016

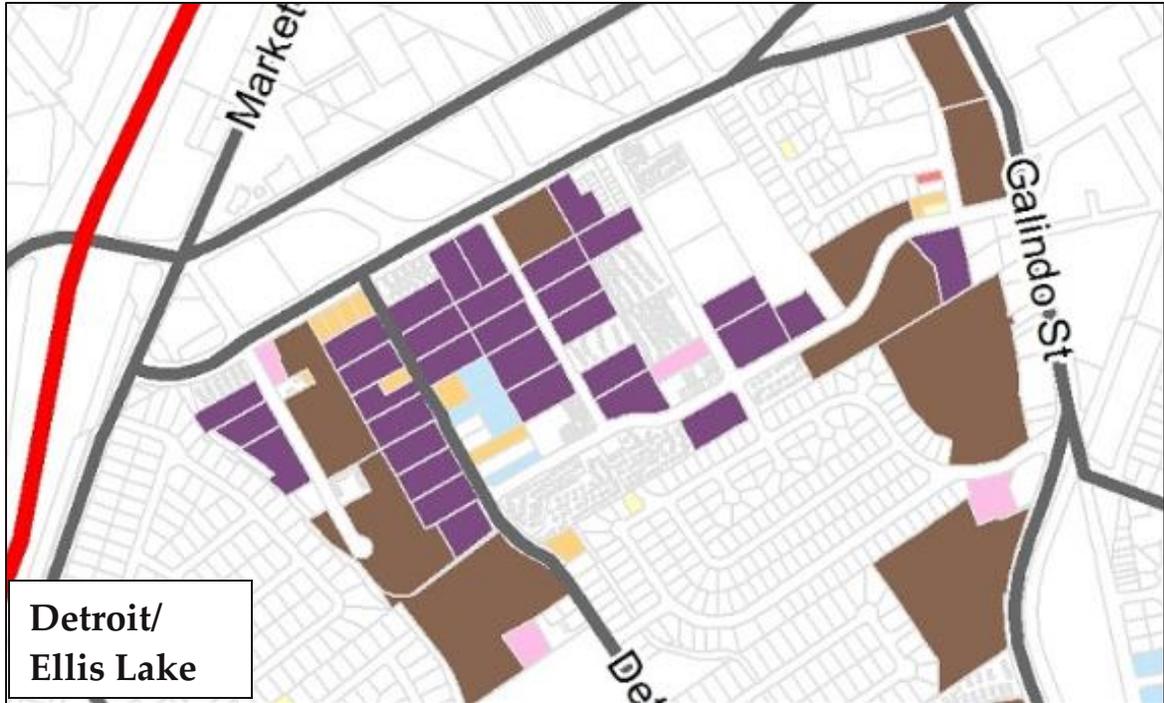
Findings:

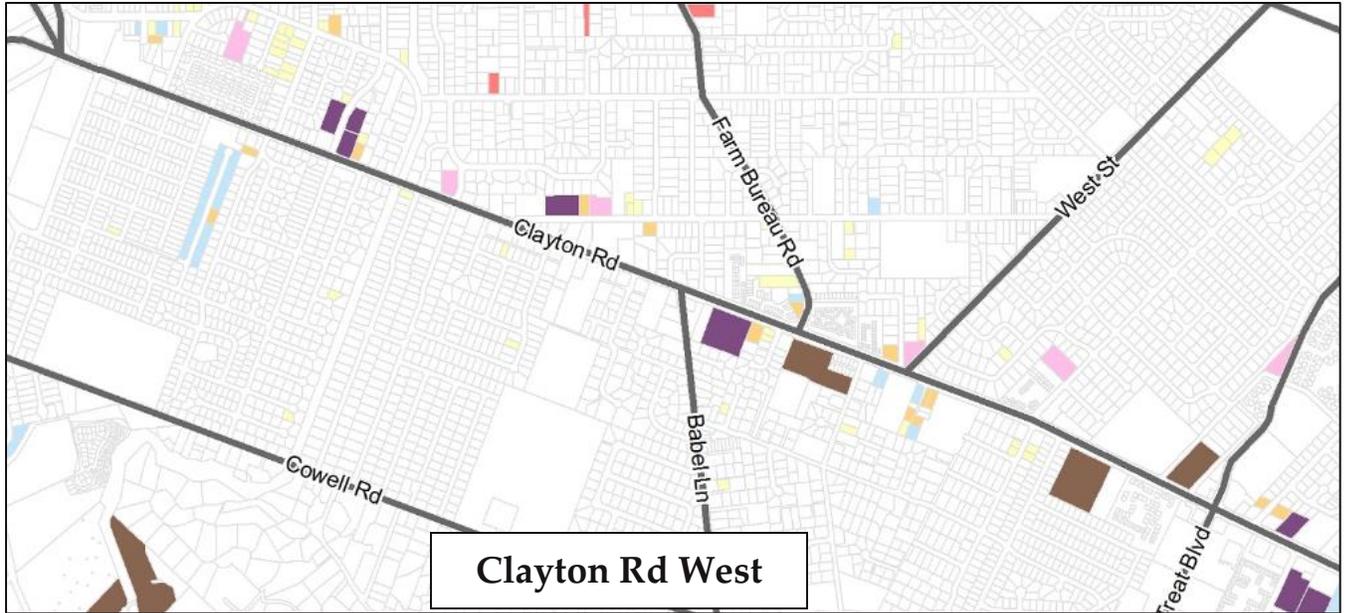
- A review of rent listings on popular internet websites such as Craigslist, Hotpads, Zillow, and Apartments.com indicates that asking rents for vacant units are significantly higher than the “average rents” reported by real estate industry data sources (such as Costar and Realfacts).
- A September 12, 2016 survey of Craigslist indicated 95 listings for apartments in Concord (filtering out single family homes and townhomes for rent). The mean rent asked was \$1,882. The mean was \$1,635 for one bedroom apartments, compared to a mean of \$1,474 reported by RealFacts. The mean was \$1,990 for two bedrooms apartments, compared to \$1,840 reported by private industry sources.
- Rents advertised on Craigslist for specific addresses were compared to the “average asking rents” for the same addresses given by industry sources (Costar). The Craigslist asking rents were often significantly higher, although some of this may be attributable to the unit amenities (square footage above average, upper floor, view, recently remodeled, etc.). Some of the discrepancy may also be due to outdated data on the private industry websites.
- In a few cases, the advertised rent was lower than the rent reported by private industry sources.
- A number of properties offer concessions for new tenants, such as reduced first month’s rent.
- There were only a few instances of dynamic pricing observed---in such cases, a unit could be rented for six months instead of one year for an additional \$100 per month.
- Security deposits were generally equal to one month’s rent, although a number of required lesser amounts for tenants with good credit.
- About half of the 95 properties advertised on Craigslist indicated that Section 8 vouchers were not accepted.
- Based on anecdotal information, the most common justifications for rent increases are rising maintenance costs, property improvement and renovation costs, property taxes, and cost of living increases.

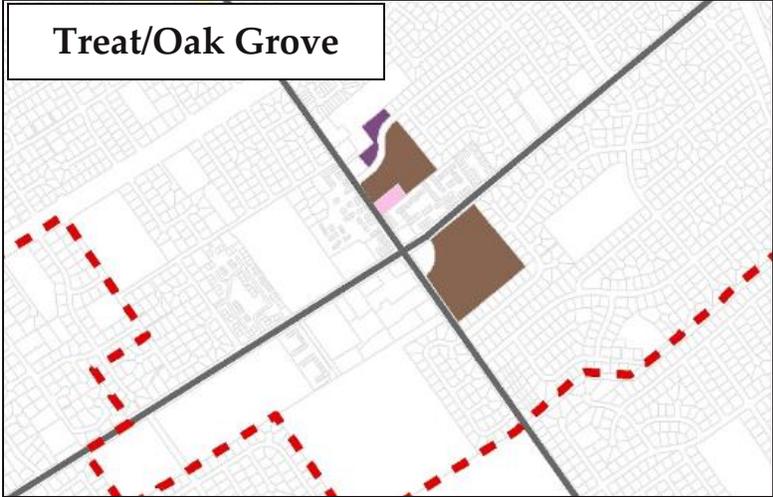
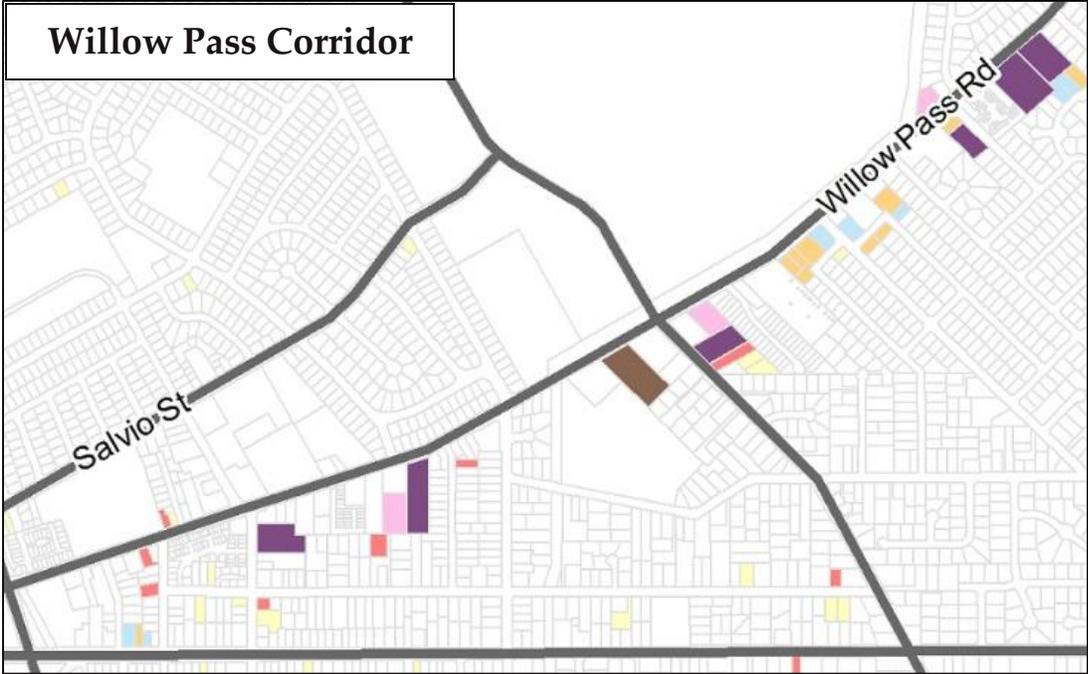
14. Map Appendix

The following pages include maps identifying the location of most of the multi-family rental properties in Concord. Each map corresponds to a sub-area (see P. 14 for key map)



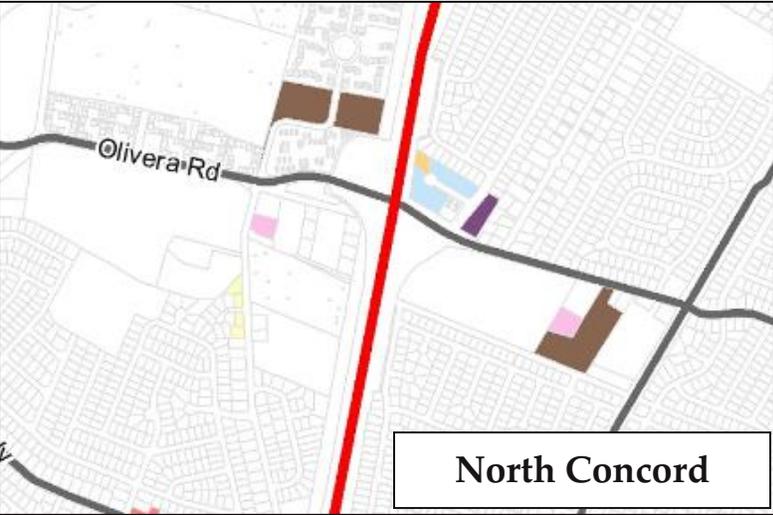






- Duplex
- Triplex or Fourplex
- Combo, single and double
- Apartment 5-12 units
- Apartment 13-24 units
- Multiple and commercial
- Apartment 25-59 units
- Apartment 60 or more units

** Source: Contra Costa County Assessor
(please see County Data Disclaimer)*



From: Lisa Anich [<mailto:anich44@sbcglobal.net>]
Sent: Monday, November 28, 2016 5:29 PM
To: Griffin, Sue Anne
Subject: Please forward to Dan Helix re: rent moratorium

Dear Councilmember Helix,

I am writing to urge you to pass a temporary rent moratorium and to give full consideration to the rights of renters in our city. I know from personal experience how difficult it is to help a homeless person regain housing, good health, and employment. I know Concord residents whose hard-won recoveries and family stability are threatened by high rents, exorbitant rent increases, and the threat of groundless eviction.

My family has lived in Concord for 16 years and it's a great place to live because we are a diverse and caring community. When we do what is right, we thrive.

Thank you for your consideration.

Lisa Anich
4495 River Ash Ct
Concord, CA 94521
925-689-2642

Rent control measures hit Bay Area ballots

Proposals would cover at least 100,000 people in 52,000 apartments

By Tammerlin Drummond and Jason Green

Staff writers

A tenant movement has been gathering steam in the Bay Area, turning rent control into a hot-button political issue for the first time in decades.

On Nov. 8, voters in Alameda, Richmond, Mountain View,

Burlingame and San Mateo will decide whether to enact new rent control proposals. In Oakland, where there is already a law, Measure JJ would impose new regulations limiting landlords' ability to increase rents and expand just-cause eviction protections.

The outcome of this flurry of measures could significantly affect future rental policy. There are two questions at stake. One, is rent control an effective tool for addressing the state's housing crisis? And second, is it fair

See **Rent** on Page 10



RAY CHAVEZ/STAFF ARCHIVES

An Alameda resident holds a sign that says "Respect Alameda renters" during an Alameda City Council meeting in January 2016.

A10 BAY AREA NEWS GROUP 000

Rent

Continued from Page 1

for city officials to make a certain category of property owners shoulder the financial cost? By state law, cities can limit annual rent increases only on apartments built before Feb. 1, 1995. The Costa-Hawkins Rental Act also exempts all condos and single-family homes from rent control.

"It's really historic," said Leah Simon-Weisberg, legal director for Tenants Together, a statewide tenants-advocacy group that has been mobilizing support for the measures. According to the group, the new laws, if passed, would cover more than 100,000 people living in 52,000 apartments.

The measures sponsored by tenant advocates would limit annual rent increases based on the Consumer Price Index. In Alameda and Mountain View, city officials have put forward dueling rent-stabilization measures that do not set caps but instead require landlords to go through a new bureaucratic process if they want to raise rents higher than 5 percent.

Rent control supporters say it's vital that the measures pass to protect low- and middle-income tenants from steep increases that are driving out longtime

residents. They say rent control is something cities can do now to stanch the bleeding and give residents relief from the stress of being in constant fear of losing their homes.

"The working class and huge populations of color would be driven out of the Bay Area very quickly without rent control," said Daniel DeBolt, a volunteer with Yes on Measure V in Mountain View. "It's the one thing that stands between the displacement epidemic getting much much worse."

Yet the California Apartment Association, which has spent more than half a million dollars to defeat the proposals, argues that expanding rent control only makes things worse.

"People will move into a rent control apartment and stay there for many years, and stay there for far longer than they need to as their family and income grow," said Joshua Howard, CAA's senior vice president of local public affairs. "That takes that unit off the market and constricts the supply of available housing as you've seen in Oakland, Berkeley and Santa Monica."

The CAA cites the nonpartisan Legislative Analyst's Office to back its claims. The February 2016 LAO report "Perspectives on helping low-income Californians afford housing" stated in part that

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"Talk about David and Goliath. They've got all these TV spots running and robo calls," Pauling said. "We're really focusing on phone banking and going door to door."

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But does rent control work?

Christopher Palmer, an assistant professor who studies real estate at the Haas School of Business at UC Berkeley, says it's a "patch" solution that doesn't solve the root problem: The region just hasn't built enough housing to accommodate the influx of new people.

"It just keeps it from getting worse for those who are lucky enough to get into a rent-controlled unit and helps them stay there," Palmer said. "The way I see it, we've had this affordability crisis, 30 to 40 years in the making, and the solution of rent control is to have landlords pay for getting us out of that mess."

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"They're just piling more and more on the prope"



Dan Faller, AOA President

AOA TODAY

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- 3. World View** - to support a strong belief in Biblical principles and individual responsibility. We are taxpayers for less government who also support the U.S. Constitution as originally intended.
- 4. Political** - to educate, motivate and organize the strongest group of owners in the state who are dedicated to winning back our American Economic System of Free Enterprise and correcting the injustices of our eviction, rent control and taxation laws!



Politically Controlled Rent Destroys Housing!

The below articles were written by Attorney Michael Millman. Mr. Millman is also a Mar Vista activist.

Annual Rent Increase is Fraudulent

As an example, every year in September, the Los Angeles Housing Department (LAHD) is charged with responsibility of examining the Consumer Price Index (CPI) and comparing the increase or decrease over the last previous years. It's an arcane formula.

The Rent Stabilization Ordinance mandates that if the CPI calculation is too low, then all landlords get an automatic increase of only 3%. There's also a safety valve capping the increase with an 8% component. Owners have it even worse in San Francisco, Oakland, Berkeley and other cities.

Is CPI Relevant to the Actual Costs Of Managing Apartments?

Simply stated, does the CPI

address or capture the true operating expenses associated with apartments? Absolutely not. CPI tracks and addresses consumer products such as cashmere sweaters, flat-screen TVs, laptops and wristwatches.

A grassroots owner's group called "Better Housing for Long Beach" has emerged. Their message is simple: Rent control destroys and "kills" affordable housing.

Apartment management expenses are generally associated with expense items that are outside of the parameters of the CPI's evaluation. For example – property taxes, parcel taxes, bonds, registration fees, inspection fees, insurance, accounting, attorney fees, association membership dues, water, sewage, trash retrieval, flooring, windows, roofing, security cameras,

plumbing and electrical repairs, appliance purchases, sprinklers, landscaping, asphalt, concrete, fencing, painting, kitchen cabinets, toilets, plumbing fixtures, and kitchen counters. Virtually every expense associated with apartment property management is not addressed or captured by CPI.

In Santa Monica, water has gone up 9% per year. Yet the Santa Monica Rent Control authorities' annual adjustment is 75% of adjusted CPI – approximately 1% per year. [And Santa Monica is just one example – there are many other examples throughout our “business-friendly” state!]

Rent Control on Fast Track to Long Beach

Long Beach has long been considered one of the most beautiful and affordable “beach towns” along the California Coast. There are approximately 75,000 rental units in the city and most are owned by small family interests. These are rental units that were inherited from family members with ties to the city for over 100 years or longer.

Most often, the tenants are neighbors, family friends or relatives. Rents have been historically very reasonable in view of comparable rents in other beach towns. The beautiful enclaves of Naples Island, the Long Beach Strand, Peninsula, Belmont Shores and of course, Bixby Knolls.

Again, the Long Beach area promoted and encouraged neighborly cooperation and re-

Above all else, guard your affections for they influence everything else in your life.

PROVERBS 4:23

sisted the type of antagonism, animosity and belligerence found in some communities/cities which have adopted forms of tenant welfare, also known as rent control or rent stabilization. For example, over the last 40 years, there have been dozens of lawsuits in rent controlled cities association with rent control protocols and procedures.

Fifty years ago, Long Beach was a welcoming community. Long Beach Savings and Loan and Downey Savings and Loan were huge investors in multi-family residential income projects. Thousands of apartment buildings were constructed. The political landscape promoted Council Members and city leaders who believed in promoting family businesses. There was no discussion of any form of rent stabilization or rent control. The city flourished and the communities were incredibly peaceful and happy.

Most recently, it appears that agitators from San Francisco called “Tenants Unite”, others from Long Angeles – the Coalition for Economic Survival and a new group called Housing of Long Beach - apparently man-

aged and promoted by local activists have been promoting antagonism between rental property owners and tenants. Yes, they want the great “rent wars” so as to polarize not only communities, but political factions.

Systematic Code Inspections in Long Beach

It should be remembered that unlike many other cities, Long Beach has individual council voting districts and can be strategically leveraged to support candidates who directly oppose rent control and are business-friendly.

In 2015, the tenant activists promoted and obtained a successful campaign to install a
(continued on page 10)

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form of systematic code inspections. The criteria for satisfying the habitability standards in Long Beach apparently has been kept secret. Currently, apartment owners have been complaining about obscure, silly, alleged infractions or building deficits. Citations are being written for peeling paint or overgrown bushes. The inspectors are motivated to issue citations, although essential housing services may not be revealed during their inspections. This is a program that looks much like a "speed trap" that many of our friends encountered at or near the city of Barstow on their trips to Las Vegas.

Rent Control in Long Beach?

The rent control advocates want a Los Angeles style rent escrow account program (REAP); a possible just cause eviction standard; annual rent increase; and no pass-throughs for parcel taxes, bonds, sidewalks, alleys or earthquake preparation.

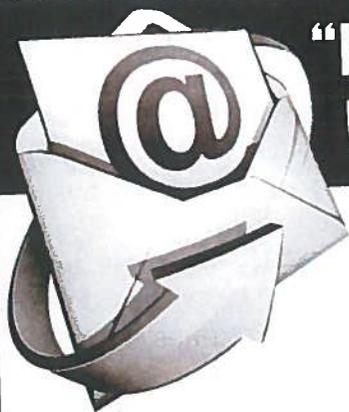
It appears our political friends in Long Beach are being seduced by typical tenant activist pro-

paganda wherein it is suggested that their political careers can be secured if they adopt harsh rent control protocols as there are more "tenant voters" than owners. However, in many of the very conservative council districts, it would appear that with adequate education and strong political will, rent control can be defeated.

Tenant Welfare Destroys Housing!

A grassroots owner's group called "Better Housing for Long Beach" has emerged. They've attended many City Council meetings and have met privately with the Mayor and others. Their message is simple: **Rent control destroys and "kills" affordable housing.**

Every apartment owner or Apartment Association should aggressively fight and challenge any form of tenant welfare (aka rent control) as the procedures employed or initiated in remote cities such as Long Beach will ultimately become fashionable and popular in your city. It should be remembered that some form of rent control and/or more restrictions are being considered for Moun-



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Here's what others are saying about AOA's email alerts...

Thank you so much for notifying us of this fraud.

Your members appreciate these kind of alerts ...keep up the great work – D. Cowen

Thank you for the information. We are fortunate to be part of your association. – G. Viramontes

Thanks for the info as always.

I'm glad I am a member of AOA, the benefits are really worth it. – J. Chu Ellis

Thanks for keeping us informed.

I think it's a great idea to inform your subscribers of the latest news – D. Merlino



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tain View, Alameda, Richmond, Burlingame, San Mateo, Culver City, Glendale and now Long Beach.

Good Reasons Cities Should Reject Tenant Welfare (aka Rent Control)

1. Tenant welfare is a train wreck waiting to happen.
2. Tenant welfare causes housing providers to abandon their property, sell and go to other jurisdictions.
3. Tenant welfare decreases the number of affordable units.
4. Tenant welfare promotes Airbnb.
5. Oppressive, restrictive tenant welfare requires that owners immediately increase their rents as much

as possible, causing an unintended consequence uptick in homelessness.

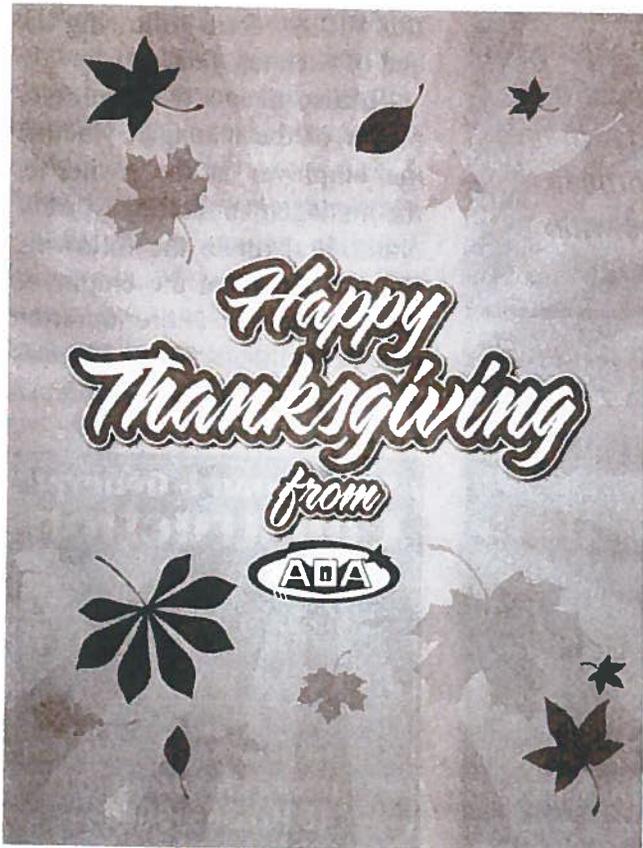
6. Tenant welfare is incredibly expensive; you need to hire and develop a Hearing Department with probably a dozen hearing officers and several attorneys and their staff; a new department which the City will have to underwrite.
7. Even though politicians will suggest that the fees collected will make the new department self-financing, later you will learn that not only were their remarks false, but it will begin to cost the City tens of millions of dollars for the new department, staff, the health plan and the lawsuits for employment

practices. And...the fees they collect are unjust.

8. It's the only welfare program where only 1% to 2% (housing providers) of the population pay 100% of the cost!

Do not fall into a false sense of security and continue to operate in a psychological denial state. Remember ... "there are no victims, only volunteers".

Michael Millman is an Attorney and a Mar Vista activist and can be reached at (310) 477-1201. If you are interested in joining the fight in Long Beach, please contact Nancy Ahlswede at (714) 317-0036 or Ahlswede.Nancy@gmail.com.



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See **Rent** on Page 10



RAY GHAVEZ/STAFF ARCHIVES

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A10 BAY AREA NEWS GROUP 000

Rent

Continued from Page 1

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AOA TODAY

FROM THE PRESIDENT

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it will help you make
more money than ever

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y intended.

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of our eviction, rent control
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The Regressive Road to "Tenant Welfare"

Who would have thought that our homeless population is hopelessly linked to rent control, also known as tenant welfare?

Sometimes, the best of intentions end up producing the worst of results as unintended consequences. Many renters, government officials and city employees think that artificially induced price controls on rent will help community members. This is evidenced by the City of San Mateo's recent imposition of rent control in August and by the city of Glendale putting rent control on the upcoming ballot. And, more and more cities are implementing intrusive

city inspections like Long Beach, Highland and Santa Ana.

Forty-three out of the 50

The displaced tenants moved on, used up their relocation fees in less than a year and many of them ended up on the street as part of the 46,000 homeless population in Los Angeles.

states have outlawed rent control because rent control policies don't work. Yet, California is

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still trying to impose rent control.

This reminds me of a story to illustrate the point. Pedro and Maria Gonzalez worked hard to be contributing members of their community. They each worked several jobs, established a nice home and enrolled their three children in a good, local charter school. They were able to save a little money for their family.

When the recession hit during the 2009 through 2012 time period, Maria and Pedro used their savings to buy a 20 unit apartment building for pennies on the dollar. They were really excited about their accomplishment and felt they finally had a piece of the “American dream.”

Until ... a city inspector showed up at their Boyle Heights building. They invited the inspector in because they were very proud of their building and the work they had done to improve the property.

Pedro and Maria were shocked when they received the list of violations issued by the inspector. The Gonzalez’s were told to replace the roof because two different roofing materials were used – tar and gravel and composite shingle. This roof style had been used on many neighboring buildings but the roofs were not leaking. New roof replacement cost - \$30,000. Inspectors wanted the building re-piped from galvanized to copper piping. Plumbing cost estimate - \$40,000. All cracked caulking and grout had to be replaced even though there were no leaks. Four finished garages had to have wallboard replaced while

carports needed reinforcement. Inspectors found a 4 inch by 4 inch peeling paint area on the underside of the roof eaves and demanded repainting of the entire building. And the list went on, totaling nearly \$100,000 in repairs. Maria and Pedro had 30 days to correct their citations. They were unable to afford these cosmetic – not habitability – issues.

The building fell into REAP (Rent Escrow Account Program) whereby tenants only pay 50 percent of the rent to the Gonzalez family. The rest of the rent went to the city. Now, Pedro and Maria had no funds to make repairs.

Just cause evictions went hand in hand with the over-reaching inspection ordinances. Pedro and Maria could no longer evict problem tenants without a new layer of

bureaucratic red tape. Good tenants complained about hoarders, water wasters, gangbangers and criminals in the building. Whereas, before just cause eviction laws were in play, Pedro would just issue a 30 or 60 day notice to remove the “bad actors”. Now, the complaining tenants would have to take time off work, go to court and testify against the criminals. This just didn’t happen.

Good tenants moved away. More bad actors began hanging around the building. It became impossible to find good tenants who wanted to live in the apartments.

Pedro and Maria lost the building in a short sale to a developer who tore out several apartments on the same block. Developers gladly paid the \$20,000 relocation fee to

(continued on page 11)

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the remaining tenants and began their new projects. The displaced tenants moved on, used up their relocation fees in less than a year and many of them ended up on the street as part of the 46,000 homeless population in Los Angeles.

All of these steps lead to more tenant welfare that they call rent control. Many government officials believed that "rent control" would help the tenants avoid living on the streets. However, the regressive road this form of government began with the "silent killer"- over-reaching inspection ordinances.

STOP intrusive government inspections of your property!

STOP the forced sale of your property as the new eminent domain!

STOP the imposition of "just cause" eviction laws!

STOP the Regressive Road to more and more tenant welfare!

[AOA: Please mail this article or a copy to every politician you know and to the editorial section of every newspaper in your area. Thank you!] AOA

Nancy Ahlswede, a 30 year veteran of the rental housing industry and works with Better Housing for Long Beach, a broad-based coalition of owners, Realtors, investors, veterans, bankers, title and escrow agents. Renters affected by inspections are also welcome to join the campaign to retain private property rights. Nancy can be reached at Ahlswede.nancy@gmail.com.



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-----Original Message-----

From: Carl Grant [<mailto:clgrant@astound.net>]

Sent: Sunday, November 20, 2016 8:38 PM

To: Concord City Council

Subject: Rent moratorium

Dear Concord City Council,

As a Concord resident I'm strongly in favor of a temporary moratorium on rent increases over 3%. It's the least we can do as a city to help prevent families from becoming homeless.

Carl Grant
1774 Sharon Drive
Concord 94519
925 825-8225

From: Lawrence Cahn [<mailto:lawrencecahn@msn.com>]
Sent: Monday, November 28, 2016 3:53 PM
To: Concord City Council
Subject: Rent mediation

To the City Council of Concord, CA,

Laura M. Hoffmeister, Mayor
Ronald E. Leone, Vice Mayor
Edi E. Birsan
Timothy S. Grayson
Daniel C. Helix

There are too many meetings on short notice. The City Council is trying to jam this rent mediation through.

The City Council fails to understand that while there are periods of rent growth there are also periods of rent decline and stagnation. All this time, taxes, utilities, and other operating costs continue to increase. The City Council is subsidizing tenants by keeping rents artificially low. This is a "taking of property" without just compensation to the owners of the property.

While there are more renters than property owners, more taxes are paid by property owners to the City of Concord than from all the tenants combined.

Owners have a long term interest in seeing the City of Concord improve and will do their part in getting the best residents to meet the image the City of Concord has created.

Larry
lawrencecahn@msn.com
cell: 925-550-8593

From: Theresa Karr [<mailto:TKarr@caanet.org>]
Sent: Monday, November 28, 2016 3:41 PM
To: Barone, Valerie
Cc: Hoffmeister, Laura
Subject: Information requested

Valerie, sorry this took so long. This is a four (4) year income statement for a 58 unit apartment complex that is in the monument corridor. I asked for a little more detail regarding Other Property Administration (see below) and percent or amounts that are allocated to ***reserves which don't appear here but appear on balance sheet. I hope this information is helpful. have another one that only shows rent increases that I can forward if you want. I'm not sure they are apples to apples comparisons but the other one shows yearly increases broken out per tenant so you can see older vs newer. Just let me know if you would like the other one. I will scan and send to you. T

Income Statement

Book = Cash

| | | 2012 | 2013 | 2014 | 2015 |
|-----------------|--------------------------------------|-------------------|-------------------|-------------------|-------------------|
| INCOME | | | | | |
| 4299-999 | RENTAL INCOME | 408,487.75 | 420,059.75 | 437,282.37 | 469,933.23 |
| 4799-999 | OTHER INCOME | 11,128.92 | 26,002.26 | 10,077.73 | 11,680.84 |
| 4999-999 | INCOME | 419,616.67 | 446,062.01 | 447,360.10 | 481,614.07 |
| EXPENSES | | | | | |
| 5699-999 | REPAIRS and MAINTENANCE | 60,999.28 | 90,481.20 | 93,170.70 | 53,277.10 |
| 5899-999 | TURNOVER EXPENSE | 8,351.86 | 32,851.69 | 53,438.49 | 40,407.97 |
| 6099-999 | UTILITIES | 56,980.97 | 54,646.20 | 50,302.84 | 47,334.40 |
| 6199-999 | TAXES and INSURANCE | 6,169.00 | 6,265.00 | 5,936.00 | 6,626.00 |
| 7299-999 | PAYROLL and BENEFITS | 12,950.00 | 12,832.27 | 14,290.10 | 21,250.00 |
| 7899-999 | OTHER PROPERTY ADMINISTRATION | 169,335.79 | 165,849.96 | 172,278.59 | 178,086.66 |
| 8299-999 | CAPITAL IMPROVEMENT | 1,647.56 | 3,438.80 | 25,587.72 | 449.03 |
| 9799-999 | EXPENSES | 316,434.46 | 366,365.12 | 415,004.44 | 347,431.16 |
| 9899-999 | NET INCOME | 103,182.21 | 79,696.89 | 32,355.66 | 134,182.91 |

OTHER PROPERTY ADMINISTRATION

| | |
|-------------------------|--------|
| Internet Services | 0.44% |
| Legal Fees | 0.71% |
| Management Fee | 10.74% |
| Mortgage Payments | 85.02% |
| Office Supplies | 0.04% |
| Permit Fees | 0.79% |
| Taxes/Business Licenses | 1.22% |
| Telephone/Fax | 1.04% |

TOTAL OTHER PROPERTY ADMINISTRATION 100%

***On a property this size an estimated \$12,000 to \$24,000 are put into reserves annually depending on planned capital improvements. This amount does not show up on income/expense account but is reflected on balance sheet.

[Theresa Karr](#) - Executive Director
California Apartment Association Contra Costa Napa Solano Division
3478 Buskirk Avenue, Suite 1000, Pleasant Hill, CA 94523
tkarr@caanet.org - 925.746.7131 Ext. 3634

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November 28, 2016

Dear City Council of Concord,

I am writing in support of a rent moratorium now, to help keep families in Concord safe and housed during the cold and wet winters and decrease disruption to children in schools.

I am writing as a resident of the City of Concord since 1998. I consider myself to be a proud member of the city – supporting the Concord Rotacare Free clinic as a volunteer and donor and making it a point to shop in local businesses. I value the diversity in our city and the importance of people being able to work close to where they live. Last Sunday, I was in Costco doing some last minute grocery shopping and I smiled as I listened to the many languages being spoken as people prepared for celebrating Thanksgiving with their families – a very American tradition.

I am the grandchild of immigrants who came to this country to make a better life for themselves and our family. I am grateful for the fact that I was born in the United States and am blessed enough to live in Concord, California, where I can be married to the woman I love. Our country and our city is richer for its diversity, for the rights of all people to live freely and be given an opportunity to raise their families, to earn a living that will cover their housing costs. I am struck as I see patients at the Rotacare clinic that so many of them are working hard, raising families and cannot afford medical insurance. Rent is the next issue for these families who are struggling, while working multiple jobs to make ends meet.

Our neighbor was recently threatened by her landlord with the risk of a rent increase. This would mean both her daughters would have to change schools and risk the continuity of their education. These are two amazing African American girls who are being raised by a single mom. They both work hard at school, one of them tutors others, provides community service during Rotary events we host at our home and they both provide loving care to our animals as our pet sitters. A rent increase to this family would be devastating and to many others in our community – up ending children's education, increasing parent's commute times.

I am writing to request the City Council votes in support of a rent moratorium now and a just solution to rising rents moving forward.

Sincerely,

Melissa B. Allen

Concord Resident since 1998

Nurse Practitioner

From: Kristi Laughlin [<mailto:kristi@workingeastbay.org>]

Sent: Wednesday, October 26, 2016 3:58 PM

To: Council Member Dan Helix; Edi Birsan; Hoffmeister, Laura; Leone, Ron; Concord City Council

Cc: Angad Bhalla

Subject: thank you for movement on the temporary rent moratorium - and links to articles

Dear Mayor Hoffmeister and Council Members Helix, Leone, Birsan and Grayson,

On behalf of the Raise the Roof Coalition and growing number of faith, labor and community groups concerned about the housing crisis, I want to thank the HED committee for their proposal on Monday evening to have the full council consider a temporary moratorium. We look forward to being in deeper dialogue with you about this, and would like to have you all consider just cause for evictions as well.

I would like to reiterate our Coalition's desire to meet with each of you about this in the next week or 10 days. I know this is a busy season, but please let us know your availability.

I trust you all saw the articles in the paper, but just in case wanted to share these links with you.

<http://www.sfchronicle.com/bayarea/article/Concord-considers-rent-hike-caps-to-help-10339079.php#photo-11621499>

<http://www.eastbaytimes.com/2016/10/24/concord-to-consider-temporary-moratorium-on-rent-increases/>

Enclosed are the packages versions as well.

Sincerely,

Kristi

--

Kristi Laughlin, Campaign Director

EBASE

[510-847-2399](tel:510-847-2399)

San Francisco Chronicle

Concord considers rent-hike caps to help hard-pressed residents

By Filipa A. Ioannou | October 25, 2016 Updated: October 25, 2016 6:24pm



Pierre Prevot listens to a prayer vigil Monday in Concord for those impacted by the housing crisis. Photo: Gabrielle Lurie, The Chronicle

William and Argelia Brown lived in rented apartments in Concord for more than 30 years, raising three children. But about four years ago, when William lost his job, he and his wife were evicted and found themselves homeless.

Now they bounce between shelters, motels and their car, says their daughter, Avelina Brown-Nuñez.

“Social Security disability allows them to stay in motels, but it’s not enough for them to afford getting housing,” said 36-year-old Brown-Nuñez, who now lives in Oakland.

It’s an increasingly common story in Concord, Contra Costa County’s largest city, which is the latest Bay Area city to consider placing a moratorium on rent increases. A City Council committee this week forwarded a plan to the full council to ban rent increases above 3 percent for a 45-day period. The moratorium could be extended for up to two years by a subsequent council vote.

“I think it communicates to the general public, ‘We hear what you’re saying, and we want to do what we can,’” said Councilman Dan Helix. He said a moratorium is a reasonable temporary measure while the council studies the scope of the problem and the merits of rent control.

Concord was for many years an enclave where rents remained within reach of middle-class families and single-income households. But the ripple effects of the regional housing crisis have changed that, with rents rising by 60 percent the past six years.

Concord grew more slowly than its neighbors in the wake of the recession, adding only 82 new housing units from 2010 to 2015. Walnut Creek added 802 units in that same period. Pittsburg added 913. Antioch added 1,172.

That sluggish growth in housing stock and subsequent rent spike has hurt middle-class families and seniors on fixed incomes — many of whom thought that in Concord, they had finally found a place they could afford.

“I wanted to retire here, because it’s supposed to be one of the best cities for seniors,” said Theresa Brophy, who has lived in Concord since 1986. With rents in her complex increasing 10 percent each year, she’s not sure she can stay.

“I hope that the increases will be limited, but I’d like to know when, because I’m getting up there in years and I’d like to know where I can live,” she said.

The Browns found that most shelters serve women and children, families with young children, or single older adults, not older married couples whose children are grown.

“When they were staying in shelters, they had to be separated,” said Brown-Nuñez.

Support resources are straining to deal with the needs of the displaced. There are about 400 shelter beds in Contra Costa County.

“We fully understand this is a regional crisis,” said Kristi Laughlin, an organizer with the East Bay Alliance for a Sustainable Economy. “But it’s the responsibility of cities in the region to take action.”

On Monday night, a crowd of about 50 people gathered outside the Concord Senior Center before the meeting of the City Council’s housing committee, which sent the moratorium to the full council.

The share of Concord households that have rental costs below 30 percent of income has dropped precipitously in recent years.

In 2010, 1,273 households with incomes greater than \$35,000 but less than \$50,000 were paying less than 30 percent of their income in rent in Concord — roughly a third of the total households in that income bracket. By 2015, that number shrank to only 134 such households, 6 percent of the total. The number of Concord households in that income bracket also shrank by 45 percent.

But some residents and landlords have misgivings about rent control and other aggressive government interventions.

“I think rent control is un-American in spirit,” said Concord resident Blaine Carter. “It’s not my responsibility as a private citizen looking to secure my future to provide subsidized housing.”

Filipa A. Ioannou is a San Francisco Chronicle staff writer.

Email: fiannou@sfchronicle.com Twitter: [@obioannoukenobi](https://twitter.com/obioannoukenobi)

EAST BAY TIMES

Concord to consider temporary moratorium on rent increases

By **LISA P. WHITE** | lwhite@bayareanewsgroup.com

PUBLISHED: October 24, 2016 at 10:44 pm | UPDATED: October 25, 2016 at 11:04 am



Faith groups held a prayer vigil Oct. 24 before Concord city leaders discussed policies to address the city's rental housing crisis. (Lisa P. White/Bay Area News Group)

CONCORD — Although it appears unlikely that city leaders will adopt a rent control measure this year, they may temporarily cap the amount landlords can raise rents.

During a Housing and Economic Development Committee meeting Monday, council members Dan Helix and Ron Leone recommended that the City Council consider enacting a 45-day moratorium on rent increases over 3 percent, creating a rental housing hotline and establishing a board to mediate disputes between tenants and landlords.

“We know we can’t please everyone, but we want to do what’s fair and what’s just,” said Helix, who proposed the hot line and the urgency measure to limit rent hikes.

The council could discuss the recommendations at the Nov. 29 meeting or during a December meeting.

A broad coalition of faith groups, tenant advocates, labor unions and community organizations has urged the committee to enact a temporary moratorium on rent increases and evictions. Landlords said a moratorium would be unfair to owners who have not raised rents already.

It would take four votes to adopt a moratorium, which the council could extend for up to two years with a second super-majority vote. Although he has not reached a decision about enacting a moratorium, Leone agreed to present Helix’s recommendation to the full council.

However, Leone does support setting up a hotline to collect data on rent increases in apartment buildings with 13 or more units for a period of up to six months. The information, verified by city staff, would provide a more accurate picture of the rental market in Concord than anecdotes from residents, Helix said.

Since 2012, Concord rents have increased by more than 30 percent. In the first quarter of this year, the average rent for a one-bedroom apartment in Concord was \$1,474, and two bedrooms rented for \$1,587, according to Real Answers, a Novato multifamily housing research firm.

At three previous meetings, residents from neighborhoods across the city reported receiving triple-digit rent hikes and claimed landlords have retaliated against them for requesting repairs. While tenants have pushed for rent control, property owners have urged the city to crack down on unscrupulous landlords, without punishing those who need to raise rents moderately to cover rising utility and maintenance costs.

Although Leone believes the council should take action to address the housing crisis in Concord, he worries that rent control might discourage developers from building housing, may not lower rents and could prevent landlords from fixing up their properties.

“We should do something,” he said. “I’m just not sure yet that rent control is the right solution.”

In addition to strengthening the city’s existing multi-family inspection program, Leone proposed creating a landlord-tenant mediation board — an idea that drew groans from some attendees.

The board could hear a range of appeals from tenants including cases of multiple rent increases in a single year; rent increases that are implemented without a 60-day written notice; and instances of landlords ignoring maintenance requests. Two tenants, two property owners and one neutral resident would sit on the board and render non-binding decisions. The city would charge landlords a fee to pay for the program.

“I don’t feel this is a perfect solution to this problem, but I do think this is a beginning,” Leone said.

In the Bay Area, Berkeley, Oakland, East Palo Alto, Hayward, San Francisco, Alameda, Santa Rosa and San Jose have rent control. Under state law, single-family homes and condominiums are exempt from rent control; so are apartments built after 1995.

Most cities with rent control also have a “just cause” eviction ordinance which prevents landlords from evicting tenants without a reason, such as failure to pay rent or violating the lease.

Proponents say rent control and just cause eviction protection provide stability for tenants and limit displacement while allowing landlords to earn a fair return on their investment. Critics maintain that rent control reduces the supply of rental housing, fails to keep rents down and provides a disincentive for landlords to maintain their properties.

From: Chris Curtis [<mailto:Chris@ChrisCurtisHomes.com>]
Sent: Tuesday, November 29, 2016 11:06 AM
To: Concord City Council
Subject: RE: Rent Control proposal in Concord

Dear Council Members,

As a member of the surrounding communities (raised Martinez, currently residing in Clayton), a real estate professional (including sales and property management) and working with clients and owners in Concord, I do not support a rent control ordinance of any sort for Concord.

While I do feel strongly that affordable housing support is desperately needed, restricting homeowners from their fee simple rights to rent their properties for market rate should not be impugned.

Respectfully, I request that you not adopt a rent control ordinance for the city of Concord.

Best regards,

Christopher Curtis | Broker-Associate
Cal BRE License #01393615

Windermere Bay Area Properties
1320 Mt Diablo Blvd., Suite 206
Walnut Creek, CA 94596

CELL 925.408.8902

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Email: Chris@ChrisCurtisHomes.com

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Meals on Wheels and Senior Outreach Services

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November 18, 2016

Concord City Council
1950 Parkside Drive
Concord, CA 94519

RE: Urgent request for a temporary moratorium on rent increases and unfair evictions

Dear Mayor Hoffmeister, Vice-Mayor Leone, and Councilmembers Birsan, Grayson, and Helix:

The City of Concord is experiencing an affordable housing crisis. Skyrocketing rents -- which have increased 60% in the last six years alone -- are driving many Concord residents from the City. Other residents, whose income has not come close to keeping pace with soaring rents, are faced with agonizing choices between paying rent and providing their families with the basic necessities of food, medical care, and school fees. Many Concord residents are especially hard hit by spiking rents:

- the elderly whose fixed incomes have been severely burdened by increasing rents;
- the beneficiaries of the Section 8 housing program are impacted as fewer landlords participate in the program and market rents far outpace the rent levels supported by the program;
- wage earners who do not make the \$35.00/hour required to afford the \$1,825.00 monthly rent for the average 2 bedroom apartment in the City must move further from their jobs and spend more time on the road commuting and less time with their families; and,
- young people, many of them raised in Concord, find it impossible to make the City home for themselves and their families. The diminishing number of young families living here casts a cloud over the City's future.

Ample data and testimony have been presented to you about the hardships inflicted on these groups and others in Concord from the relentless rent increases. There is broader damage to the City as well. Escalating housing costs drive renters into poverty: when housing costs are taken into account, the poverty rate in Contra Costa County increases by almost 50%, from 12.5% to 18.6%, giving the County the 9th highest poverty rate in the State.[1] And the rent increases are changing the character of Concord: the availability of

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affordable housing for all income levels is rapidly diminishing and may have disappeared entirely for many. This loss of affordable housing to skyrocketing rents defeats one of the core goals the City has set for itself: To “preserve and enhance the livability of Concord’s residential neighborhoods with opportunities for a broad range of housing options.”[2] Importantly, rapid increases in rent harm all of Concord because residents have less to spend at local businesses. Ours is not only a concern for the most vulnerable in Concord, but also for the entire Concord economy.

Mindful of the hardship our neighbors are suffering and prompted by our values to speak up for a City that serves all its residents, we at Meals On Wheels and Senior Outreach Services are pleased to support the coalition of faith, labor and community groups

working to ensure that the housing needs of all income groups are met in Concord. You have heard us urge the Council and its committees to take immediate and decisive action to implement affordable housing policies in the city, including housing for the homeless and protections for poor tenants in the city. We have been seeking:

- An end to unaffordable and unreasonable rent increases imposed on the poorest Concord residents;
- An end to unjust evictions;
- Diligent enforcement of Concord standards for habitable rental units; and,
- The implementation of more equitable processes for adjudicating disputes between tenants and landlords.

These objectives have not yet been achieved.

We appreciate that the Concord City Council is being very thoughtful about the kind of solution that it will create for the city. However, hundreds of families are facing displacement because of unreasonable rent increases and unjust evictions. Tenants cannot be patient with the City of Concord’s process while landlords are raising rents and forcing tenants to move.

We are therefore asking for two simple steps to be taken immediately:

- **The implementation of a moratorium on rent increases above 3 percent if no increase has been made in the prior 12 months; no increase to be made if there has been any increase in the prior 12 months; and,**

- **The implementation of a moratorium on evictions for unjust reasons.**

These moratoriums should be temporary - they should remain in place only until such time as fair, permanent ordinances can be developed and implemented. Permanent ordinances should ensure that Concord housing policies balance the interests of ALL Concord residents, and that the city's existing policies and objectives regarding housing affordability are met.

We are happy to work cooperatively with city staff and the council and its committees to develop specific language for these moratoriums. We look forward to joining you in that effort.

Signed,



Elaine Clark
Chief Executive Officer

[1] <http://chpc.net/wp-content/uploads/2015/11/1-2015StatewideHousingNeedReportFINAL.pdf>.

[2] City of Concord Corporate Goals, <http://Cityofconcord.org/page.asp?pid=5003>.



November 29, 2016

Concord City Council
1950 Parkside Drive, MS/01
Concord, CA 94519

Re: Urgency Measure on Rent Increases and other housing measures

Dear Mayor Hoffmeister, Vice Mayor Leone, and Councilmembers Birsan, Grayson, and Helix:

As you know, East Bay Housing Organizations (EBHO) has been involved with advancing affordable housing in Concord for many years. We have been glad to work with City staff and community stakeholders on the Naval Weapons Station Reuse Plan, the Housing Element and the Downtown Plan. We believe that a broad range of strategies are needed to make sure that Concord is an affordable, sustainable and inclusive place for *all* of its residents. Through the items under consideration on tonight's agenda – the rent stabilization recommendations, the impact fee, and the Community Advisory Council for the CNWS – Concord has the opportunity to help facilitate the creation of new affordable homes but also to protect people in the homes where they now live, both important pieces of the affordability solution.

After consultation with our members active in Concord and surrounding areas, EBHO is strongly in support of a potential Urgency Measure that would limit rent increases and we echo the call for a moratorium on unjust evictions. You have heard extensive testimony on the need for urgent housing solutions, and our member organizations that provide affordable housing and services in Contra Costa County affirm that rising rents are a growing problem in Concord and surrounding cities. Given the intensely destabilizing effect of an eviction or sudden move forced by a rent increase – with housing instability shown to worsen mental and physical health, disrupt children's education and more – the current situation certainly can create a "threat to the public health, safety and welfare" that would justify an urgency measure.

This is a modest but important step, similar to what other Bay Area jurisdictions have done as they grapple with the significant challenge of rapidly rising rents and displacement. The recent electoral victories of Measure JJ (renter protections) in Oakland, Measure AA (limiting owner move-in evictions) in Berkeley, and Measure L (rent stabilization) in Richmond show that residents around the region are eager for solutions. Concord staff have researched programs in San Leandro and Fremont, and it is important to slow the tide of rent increases and evictions enough for recommended programs such as a hotline and rent mediation program to be explored and implemented. However, our members have found that such programs on their own are not necessarily sufficient to significantly slow displacement – stronger tenant protections including rent stabilization, and a just cause ordinance should also be considered. A temporary moratorium would allow for time to develop fair and permanent solutions.



East Bay Housing Organizations

Some Concord stakeholders have commented that rent stabilization alone will not alleviate the housing crisis, and they are correct. Rent stabilization and just cause are crucial, but we also need to keep creating more affordable homes. That is why EBHO also urges the Council to adopt an impact fee, but also to examine the assumptions of the nexus study and ensure the fee is as strong as possible and consider revisiting and strengthening it in the future.

We have some concern that the current proposal for an impact fee will do little to alleviate the housing crisis through creation of new units. A very small fee phased in between 2018 and 2022 will not generate much revenue. In short, the study says fees of \$10/foot seem feasible for ownership housing (and yield per unit fees in excess of \$20,000/unit), but rental is more marginal. However, small increases in rents (in excess of any increases in development costs) could make a large difference, and it is reasonable to explore that Concord will continue to see rising rents.

The feasibility analysis seems to be using a cap rate of 6% for determining feasibility – which may be high. In our work in other jurisdictions, we have seen that even small changes in cap rate assumptions can make a significant difference in feasibility. Assuming local subsidy requirement of at least \$100,000 per unit to get very-low-income housing, even at its full value, the proposed fee will yield 1 unit of affordable housing for every 25 units of market-rate housing, or just 4% of all units. It will be extremely difficult for Concord to meet its RHNA requirements with this strategy alone.

Council should note the consultants' analysis that over the long run the fee is likely to result in lower land prices rather than higher housing prices or lower developer profits. Finally, the feasibility analysis was performed over a year ago and market economics may have changed by now. We urge that the Council allow for future analysis to determine whether the fee is in line with market conditions and will make a significant difference in the ability to fund new affordable homes.

Finally, we note that tonight's agenda also includes a proposed process for selecting members of the Community Advisory Committee for the Concord Naval Weapons Station Reuse Project. Ensuring a committee that represents the diversity of Concord will be crucial for guiding the implementation of this project. We are glad that at least one member of the Community Coalition for a Sustainable Concord is under consideration, and we urge that the Council and Community Advisory Committee continue to work with the Coalition to ensure that the Reuse Project also furthers the goals of an affordable, vibrant and inclusive Concord.

Thank you for your consideration and please do not hesitate to contact me with any questions at gloria@ebho.org or 510-663-3830 ext. 322.

Sincerely,

Gloria Bruce
Executive Director, East Bay Housing Organizations (EBHO)

From: Daniel Fahrner [<mailto:dkfahrner@earthlink.net>]
Sent: Monday, November 28, 2016 9:23 PM
To: Concord City Council
Subject: Rent Control

Dear Honorable Members of the Concord City Council,

I am not a citizen of Concord, nor do I own rentals in your city. However, I think that before you consider instituting rent control you should fully understand the economic issues that drive the rents in the Bay Area.

When rent control is instituted in an area the rents will likely to go up rather than down or remain the same. The laws of the State of California, which I'm sure you're aware, prevent you from applying rent control across the board because houses built after 1995 are exempt, as are single family homes. The effect of this, which you may not be aware is that, depending on the housing stock in your city, approximately 30% of the rental housing stock will be removed from the market. The current tenants will surely benefit. The balance of the renters in the market will now be chasing the 70% that is left on the free market. Decreased supply and the increasing demand for housing in the Bay Area leads to higher rents and additionally when the controlled units become vacant they will follow the market up to the higher rents that are now in place for the free market units.

I have been a real estate investor in the Bay Area for 25 years, I have a M.S. in Economics from SF State and have taught economics at the college level. No economist of note endorses rent control. The effects above plus other effects, such as, but not limited to, deterioration of the rental stock, loss of good rental operators who refuse to work under such conditions, will harm renters as well as rental operators. The issue of skyrocketing rents is the culmination of the last 30 years of limited building of housing to equal the increase in population and jobs in the Bay Area.

Political expediency should not trump the long term effects of your policies. I am confident this will help the Council to make a decision that benefits the entire community, which is what I hope is the goal of the Council.

Thank you for taking the time to read this.

Sincerely,

Daniel D Fahrner, M.S.

From: Diane Grant [<mailto:dianebeegee@yahoo.com>]
Sent: Friday, November 25, 2016 4:46 PM
To: Griffin, Sue Anne
Subject: For Dan Helix - Rent Moratorium

Dear Mr. Helix,

Thank you for all you do to help Concord!

I have been a resident of Concord and a homeowner here since 1973. I am a registered voter and vote in every election.

Please pass a temporary moratorium on rent increases above 3%. Lower income people and families need a break from ever increasing housing costs. I think it is best to help them stay in our city and raise their families in a stable environment. Concord has a motto about families coming first. Let us prove it by enabling them to stay in their rented homes.

Sincerely,

Diane Grant

From: Virginia Teran [<mailto:virginia.teran@stbonaventure.net>]
Sent: Monday, November 28, 2016 4:27 PM
To: Griffin, Sue Anne
Subject: Letter to Concord City Council

Dear Dan Helix,

Now is the time to stand up for people in distress, who need a financial respite from increasing rents, unjust evictions and being forced to move from Concord. I ask you to put yourselves in other peoples' shoes and to vote to place a temporary moratorium to all rising rents until systems suggested by your city staff and members of your council are created and put in place.

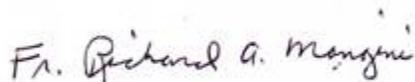
All of you have listened to the many experiences of people, and you have felt the pushback from special interests. I do not hear anyone wanting to put the interests of everyone together in a mutual proposal that seeks to answer the needs of everyone.

As the holidays approach, we need to see a positive and practical initiative from the Council that recognizes the complexity of the problem and that hold out some practical hope to those who are most affected.

Granted that the Council is in transition at this time is, but that is not a reason for inaction. I believe that inaction will be considered punitive. Three of you come from a long Roman Catholic tradition of Social Justice which I ask you to consider, a tradition that is more than politically correct and calls for a greater outcome for justice for those most grossly affected.

Please vote to move the process forward with temporary relief until greater systems can be put into place.

Sincerely Yours,

A handwritten signature in cursive script that reads "Fr. Richard A. Mangini". The ink is dark and the handwriting is fluid and legible.

Fr. Richard A. Mangini
Pastor
St. Bonaventure Catholic Church

From: Diane Grant [<mailto:dianebeegee@yahoo.com>]

Sent: Friday, November 25, 2016 4:39 PM

To: Concord City Council

Subject: Rent Moratorium

Dear Concord City Council,

I have been a resident of Concord and a homeowner here since 1973. I am a registered voter and vote in every election.

Please pass a temporary moratorium on rent increases above 3%. Lower income people and families need a break from ever increasing housing costs. I think it is best to help them stay in our city and raise their families in a stable environment. Concord has a motto about families coming first. Let us prove it by enabling them to stay in their rented homes.

Sincerely,

Diane Grant

From: Kristi Laughlin [<mailto:kristi@workingeastbay.org>]

Sent: Tuesday, November 22, 2016 11:26 AM

To: Hoffmeister, Laura; Leone, Ron; Grayson, Tim; Birsan, Edi; Concord City Council

Cc: Barone, Valerie; Montag, John; valerie.walker@cityofconcord.org; Simpson, Laura

Subject: Letter from the coalition re rent moratorium and Council Meeting Nov. 29

Dear Mayor Hoffmeister, Vice-Mayor Leone, and Council Members Helix, Grayson & Birsan,

On behalf of the Raise the Roof Coalition, I would like to submit this letter sharing our reflections and desires around the temporary moratorium on unjust rent increases and evictions to be discussed at the next City Council meeting on Nov. 29th.

We appreciate that the full Council will be discussing this urgent issue, especially in light of the coming holidays.

Thank you for your hard work and earnest consideration of this temporary measure.

We wish you and your families all the best during this Thanksgiving weekend.

peace,

Kristi Laughlin

--

Kristi Laughlin, Campaign Director
East Bay Alliance for a Sustainable Economy
510-847-2399

Date: Nov. 21, 2016

To: Esteemed Mayor Hoffmeister, Vice-Mayor Leone, and City Council Members Helix, Grayson and Birsan

cc: City Staff Valerie Barone, John Montagh, Valerie Walker, Laura Simpson

From: The Raise the Roof Coalition

Re: Discussion of a Housing Moratorium at City Council on Nov. 29, 2016

The undersigned faith, labor and community organizations are part of the Raise the Roof Coalition, which consists of a dozen organizations rooted in Concord and serving Concord residents and workers. We are writing to offer our current reflections on the housing crisis to inform the discussion at City Council on Nov. 29th.

First, we want to express our appreciation to the HED committee members and to City staff for their study sessions and extensive reports over the last six months documenting the housing crisis in Concord, which has been produced by a lack of affordable housing construction and skyrocketing rents without any renter protections. Council now has ample evidence and has heard testimony after testimony from a wide swath of current (and former) Concord residents about their own economic hardship, their housing insecurity, and the erosion of family and community bonds because of evictions and displacement.

Thus we are heartened by Council member Helix's proposal out of the last HED committee on October 24th for the full Council to consider a temporary moratorium on rent increases above 3%, and his interest in pursuing just cause for evictions, as indicated by his concern about the term "nuisance" as being too subjective. We want to support his proposal and reiterate our own desire for a temporary moratorium, enacted as an urgency measure that would:

- Limit rent increases to 3%
- Be enacted for 45 days (with option to extend if needed)
- Require "just cause" eviction protections
- Be extended to all rental units

On November 29, we ask that you direct staff to prepare an emergency moratorium incorporating these elements to present to the full council on December 13. We believe that a temporary moratorium is critically important *in this moment* for these reasons:

1. **There is growing momentum among Concord community** groups, churches and synagogues, and social service providers who are witnessing the devastating impact of more homelessness and economic insecurity on the well-being of local residents, especially families with children. To date, 28 such organizations and congregations have signed the letter for a moratorium. (attached)

Comment [1]:

Comment [2]: These are all good reasons, but none is explicitly or primarily about urgency. 3 and 4 overlap considerably. Without lengthening I think we can add "urgency."

Comment [3]: What is the current number? And do we have more social services signed on?

Comment [4]: We have 26 responses online, one is an individual. So currently we have 25 organizations in this form. There may be others who have not responded online. (The Moslem community, for example).

2. **Ongoing analysis and deliberations by City Council should not be at the expense of the most vulnerable residents.** The City has been officially discussing this crisis for over six months. Residents have been showing up at City Council urging relief since last February. Nine months later, there is still no concrete solution on the table to address excessive rent increases and the threat of unjust evictions. Families continue to lose their homes because of rising costs, and we have seen that those with low-wages and those on fixed incomes or disability are the hardest hit.
3. **This is the time for compassionate leadership.** The winter holidays are upon us. We are asking Council to take this small step to help keep families in their homes for the holidays, and to give the gift of stability in this special season. In addition, in the wake of the elections, there is heightened stress and insecurity among so many of our Concord residents and families, especially among children who fear their parents being taken away, with talk of changes in immigration policy and practice. This is the time for elected leaders to take meaningful steps to reassure and stabilize families.
4. **This temporary moratorium is a very modest, reasonable and constructive step.** It is a way of hitting “pause” on the crisis. It serves the needs of those who are suffering and also buys more time for more informed discussion and dialogue on more permanent solutions that are just now emerging, such as a hotline and a rent mediation board. But all of those can and should be discussed *while a temporary moratorium is in place*.

For all these reasons, we urge you at the November 29th Council meeting to direct staff to present, as an urgency measure for action on December 13th, a temporary moratorium on rent increases above 3%, with just cause eviction provisions that can be voted on before the holidays. This should not be burdensome as there is existing language from policies adopted in other Bay Area cities that can be used.

Comment [5]: a proposal for an "urgency ordinance"

We thank you for bringing his temporary solution for full discussion at the next Council meeting and look forward to ongoing collaboration in seeking more permanent solutions in the weeks and months ahead.

Sincerely,

The Members of the *Raise the Roof Coalition*:

Monument Impact
Central County Regional Group, sponsored by First 5 Contra Costa
Ensuring Opportunity Campaign to End Poverty in Contra Costa

Faith Alliance for a Moral Economy

East Bay Alliance for a Sustainable Economy

Alliance of Californians for Community Empowerment (ACCE) - Contra Costa

California Nurses Association

Tenants Together

Multi-Faith Action Coalition

Contra Costa AFL-CIO Labor Council

East Bay Alliance for a Sustainable Economy

UNITE HERE Local 2850

SEIU Local 1021

RE: Urgent request for a temporary moratorium on rent increases and unfair evictions

Dear Mayor Hoffmeister, Vice-Mayor Leone, and Councilmembers Birsan, Grayson, and Helix:

The City of Concord is experiencing an affordable housing crisis. Skyrocketing rents — which have increased 60% in the last six years alone — are driving many Concord residents from our City. Other residents, whose income has not come close to keeping pace with soaring rents, are faced with agonizing choices between paying rent and providing their families with the basic necessities of food, medical care, and school fees. Many Concord residents are especially hard hit by spiking rents:

- the elderly whose fixed incomes have been severely burdened by increasing rents;
- the beneficiaries of the Section 8 housing program are impacted as fewer landlords participate in the program and market rents far outpace the rent levels supported by the program;
- wage earners who do not make the \$35.00/hour required to afford the \$1,825.00 monthly rent for the average 2 bedroom apartment in the City must move further from their jobs and spend more time on the road commuting and less time with their families; and,
- young people, many of them raised in Concord, find it impossible to make the City home for themselves and their families. The diminishing number of young families living here casts a cloud over our City's future.

Ample data and testimony have been presented to you about the hardships inflicted on these groups and others in Concord from the relentless rent increases. There is broader damage to our City as well. Escalating housing costs drive renters into poverty: when housing costs are taken into account, the poverty rate in Contra Costa County increases by almost 50%, from 12.5% to 18.6%, giving the County the 9th highest poverty rate in the State.[1] And the rent increases are changing the character of Concord: the availability of affordable housing for all income levels is rapidly diminishing and may have disappeared entirely for many. This loss of affordable housing to skyrocketing rents defeats one of the core goals the City has set for itself: To “preserve and enhance the livability of Concord's residential neighborhoods with opportunities for a broad range of housing options.”[2] Importantly, rapid increases in rent harm all of Concord because residents have less to spend at local businesses. Ours is not only a concern for the most vulnerable in Concord, but also for the entire Concord economy.

[1] <http://chpc.net/wp-content/uploads/2015/11/1-2015StatewideHousingNeedReportFINAL.pdf>.

[2] City of Concord Corporate Goals, <http://Cityofconcord.org/page.asp?pid=5003>.

Mindful of the hardship our neighbors are suffering and prompted by our values to speak up for a City that serves all its residents, we join with other faith, labor and community groups working to ensure that the housing needs of all income groups are met in Concord. We join in the chorus urging the Council and its committees to take immediate and decisive action to implement affordable housing policies in our city, including housing for the homeless and protections for poor tenants in our city. Thus, we seek:

- An end to unaffordable and unreasonable rent increases imposed on the poorest Concord residents;
- An end to unjust evictions;
- Diligent enforcement of Concord standards for habitable rental units; and,
- The implementation of more equitable processes for adjudicating disputes between tenants and landlords.

These objectives have not yet been achieved.

We appreciate that the Concord City Council is being very thoughtful about the kind of solution that it will create for our city. However, hundreds of our families are facing displacement because of unreasonable rent increases and unjust evictions. Tenants cannot be patient with the City of Concord's process while landlords are raising rents and forcing tenants to move.

We are therefore asking for two simple steps to be taken immediately:

- **The implementation of a moratorium on rent increases above 3 percent if no increase has been made in the prior 12 months; no increase to be made if there has been any increase in the prior 12 months; and,**
- **The implementation of a moratorium on evictions for unjust reasons.**

These moratoriums should be temporary - they should remain in place only until such time as fair, permanent ordinances can be developed and implemented. Permanent ordinances should ensure that Concord housing policies balance the interests of ALL Concord residents, and that the city's existing policies and objectives regarding housing affordability are met.

We are happy to work cooperatively with city staff and the council and its committees to develop specific language for these moratoriums. We look forward to joining you in that effort.

Signed,

Meals on Wheels and Senior Outreach Services

The Social Justice Council of the Mt. Diablo Unitarian Universalist Church

UNITE HERE Local 2850

East Bay Alliance for a Sustainable Economy

Central County Regional Group, sponsored by First 5 Contra Costa

West Street Missionary Baptist Church

Ygnacio Valley Presbyterian Church

Ensuring Opportunity Campaign to End Poverty in Contra Costa

STAND! For Families Free of Violence

Community Financial Resources

Rise Together Bay Area

St. Bonaventure Catholic Community

Contra Costa Crisis Center

Monument Impact

Catholic Charities

Faith Alliance for a Moral Economy

Catholics United for Justice

St. Francis of Assisi Church

Contra Costa AFL-CIO Labor Council

Alliance of Californians for Community Empowerment (ACCE) – Contra Costa

Christ the King Parish in Pleasant Hill

United Food & Commercial Workers Local 5

California Nurses Association

SEIU Local 1021

Healthy & Active Before 5

Tenants Together

Multi-Faith Action Coalition

CARA

----- Forwarded message -----

From: **Kristi Laughlin** <kristi@workingeastbay.org>

Date: Wed, Nov 23, 2016 at 2:29 PM

Subject: PolicyLink Letter

To: Edi Birsan <edibirsan@gmail.com>, laura.hoffmeister@cityofconcord.org, Council Member

Dan Helix <councilmemberdanhelix@gmail.com>, timothy.grayson.cc@cityofconcord.org,
ron.leone@cityofconcord.org

Cc: John Montag <john.montagh@cityofconcord.org>

Dear Mayor Hoffmeister and Concord City Council Members,

I am forwarding this letter to you from Policy Link, a much respected research and policy institute that works regionally and nationally to promote an inclusive and equitable society. They are weighing in on the housing moratorium up for discussion on Tuesday.

I wish you all a restful and rejuvenating Thanksgiving holiday weekend.

peace,

Kristi

--

Kristi Laughlin, Campaign Director

EBASE

[510-847-2399](tel:510-847-2399)



November 29, 2016

Concord City Council
Civic Center
1950 Parkside Drive
Concord, CA 94519

RE: Support for Concord City Council Adoption of Neighborhood Stabilization Measures

Dear City of Concord Council Members Hoffmeister, Leone, Birsan, Grayson, and Helix,

On behalf of PolicyLink, I write to express my strong support for the City of Concord adopting strong tenant protections measures, including a moratorium on rent increases. As the largest city in Contra Costa County, and the eighth largest in the San Francisco Bay Area, Concord has a key role to play in addressing the housing crisis impacting communities across the region. Councilmembers Helix and Leone deserve praise for their efforts to bring to the City Council the measure to impose a limit on rent hikes above 3% and provide support to tenants facing an ongoing housing crisis.

PolicyLink is a national research and action institute advancing economic and social equity by Lifting Up What Works®. Launched and headquartered in Oakland, CA, our organization holds a deep commitment to ensuring that all people live in healthy, thriving communities with opportunities to fully participate, prosper and reach their full potential. PolicyLink has long championed local, state, and federal policy efforts that not only improve equitable access to affordable and healthy housing, but also support local economies, quality jobs, and environmental stewardship. PolicyLink supported eviction moratoria in the cities of Oakland and Alameda to provide lawmakers with the time and space to enact critically needed rental protections. The moratoria were necessary in the face of the disruptive impacts on housing cost spikes, leading to negative health and opportunity consequences for residents. Tenant protection measures are key for communities like Concord facing housing pressures.

Over the past five years, median rental prices in Concord have skyrocketed by 39% (from \$1819 in 2011 to over \$2,500 today, according to Zillow).¹ Under the twin pressures of a white hot regional housing market with no rent protection ordinance in place, Concord tenants are reportedly facing triple-digit rent increases and increased threat of unjust evictions. Working households are disproportionately impacted by these housing pressures, with negative consequences for health and other quality of life measures.

Health and housing are inextricably linked, and housing instability directly impacts community health. PolicyLink recently partnered with the Alameda County Public Health Department in highlighting the detrimental impacts that the Oakland housing crisis is having on residents.² That study showed that increasing housing instability was linked to individual mental health problems such as depression, anxiety, and stress, as well as hypertension and larger detrimental effects on social bonds as communities are fragmented and social networks disrupted.³ Further research nationwide has established the strong connections between health and housing, where stable, affordable, and quality housing are key elements to addressing chronic health conditions.⁴ Absent immediate action to stabilize the rental housing market, more Concord residents can be expected to suffer from rising rates of physical and mental conditions connected to housing instability.

By adopting the moratorium on rent hikes and other basic tenant protections, the City of Concord has the opportunity to set the standard for Contra Costa County – putting a curb on massive rent hikes, helping

students stay in the schools, and ensuring that families are not subject to unlawful evictions. PolicyLink stands with the Faith Alliance for a Moral Economy and the Raise the Roof Coalition in calling on Concord City leadership to take meaningful steps to stabilize neighborhoods facing historic housing pressures, and to keep Concord as an inclusive, vibrant, community where all can live and thrive.

Sincerely,

Kalima Rose
Vice President for Strategic Initiatives

¹ <http://www.zillow.com/concord-ca/home-values/>

² <http://www.eastbayexpress.com/SevenDays/archives/2016/08/30/county-health-director-oaklands-housing-crisis-is-a-prescription-for-sicker-shorter-lives>

³ <http://www.acphd.org/media/425883/housing-brief-june-2016.pdf>

⁴ <http://howhousingmatters.org/articles/momentum-grows-housing-health-care/>

To: The Mayor and City Council

From: Joe Conron of Broadway Investment Company
General Manager of the Owners & Property Management Team of The Clayton Creek
Apartments, 5255 Clayton Road, Concord, CA 94521

Dear Mayor and City Council:

I have managed apartment buildings in California for the past 30 years. It is my opinion that Rent Control doesn't work. It doesn't benefit the people for whom it was intended. In Rent Control areas, investors become discouraged from remodeling or buying buildings and the result is actually a decrease in the supply of housing. Rent Control is a short-term fix and only benefits the current tenants. Once tenants vacate, landlords increase rents to rates that are higher than the "non-rent control" markets. Ultimately, the only people able to live in cities like San Francisco are the uber-rich.

In Berkeley, rent control was designed to provide affordable housing for students, but it is the professors who are living in those rent-controlled apartments with students having to bunch up 5-6 students per apartment or find housing in Hayward or Union City. In Santa Monica, students at UCLA and Santa Monica Community College drive 15 miles from Culver City to attend classes. East Palo Alto, with its rent control, has been so disregarded by investors that the community now looks impoverished. The mere mention of rent control as a possibility causes landlords to panic and increase rents as soon and as high as possible before the ordinance is initiated.

We own and manage Clayton Creek Apartments in Concord, California. We have just completed a large list of improvements to our buildings... new roofing for 208 units; asphalt, resurfacing and striping the parking lot; and remodeling apartment interiors with 150 units yet to be completed. Over the next couple of years we plan to spend several million dollars to replace the existing siding, add new double-pane windows, new exterior paint, new signage, water conserving landscaping and security cameras. All of these projects are on hold pending the outcome of the rent control measure.

We also manage properties on the San Mateo peninsula. As San Francisco rents become too high, tenants are moving down into our region. The care and upkeep of communities and neighborhoods improves greatly as you come down the peninsula. Quality of living has dramatically improved over the last 20 years in South San Francisco, Brisbane and Daly City. South San Francisco, formerly known as "The Industrial City" once had a poor reputation due to crime and gang inflection. Today, it has beautiful and safe parks with jogging trails, dog runs, softball fields and children's playgrounds. The City plan calls for many more improvements down the El Camino Real corridor over the next 15 years. This was all possible with property tax dollars. Rent Control equals fewer tax dollars which equals lower revenue in the City budget. With Rent Control in place, landlords become discouraged from improving the properties and investors become disinterested in buying the properties. Ultimately, the housing supply for working class families decrease, leaving only poorly maintained buildings. I haven't seen a city in California where rent control has worked; but instead has done just the opposite. We are hopeful the City Council will vote no on the Rent Control Initiative.

Sincerely,

Joseph A. Conron
Broadway Investment & Management Company

From: Michael McDermott [<mailto:mtmcder@pacbell.net>]
Sent: Friday, October 28, 2016 9:22 AM
To: Concord City Council
Cc: Montag, John; Griffin, Sue Anne
Subject: Attention City Council: Concord Rent Control Feedback and New Ideas

City Staff: Please forward this email to all city council members

Honorable Council Members;

I am a Concord homeowner and also an “accidental landlord” who owns a second home in Concord. I say “accidental” because we purchased the home with one of our sons and when he had to relocate due to a job change, we decided to rent the home out as a source of income for our retirement.

As you might imagine, the recent discussions about rent control have gotten my attention. Earlier this week I watched the Housing and Economic Development Committee meeting with Councilmembers Helix and Leone in attendance.

At this meeting we heard from both sides – landlords and tenants. I felt sympathy for both groups: The good landlords who don’t impose high rent increases, and the good tenants who rented apartments with the reasonable expectation their rents would not jump several hundred dollars a month in a single year.

Council member Helix suggested a hot line to start gathering data on rent increases. I think that is a good idea because good data on this issue is hard to come by. Statistics cited by the rent control advocates are either anecdotal or based on market rent survey data. I believe the problem with market rent survey data is it only includes rates on rentals currently vacant. It does not include rates for rentals which are already rented. For example, my Concord rental has had the same tenant for four years and my rent increases have been less than 3% each year. My tenant’s rent today is about 30% below the current market rate of around \$2700/mo. Like most small landlords, I have no plans to impose large increases on my current tenant in order to “catch up” with the market.

My lower rental rate and my last annual 2.2% rent increase is not in the data being quoted to justify city-wide rent control and moratoriums. Neither is the rent charged by most landlords in Concord who (like me) don’t gouge their current tenants with large rent increases even though the market might be hot right now.

The “crisis” of large scale unjust rent increases on existing tenants is not supported by the data, because (to Councilmember Helix’s point) the data does not currently exist. How can we know the true extent of the problem if we have no valid data? That said, I do agree a problem exists for some (perhaps many) low income tenants. Based on the anecdotal reports we have heard, it does appear some owners of low income apartments are imposing large rent increases on existing tenants simply because they can get away with it.

Here are some simple principles I suggest we use in addressing this problem:

1) Define the scope of the problem. If you agree the problem is mostly associated with large older apartment buildings then limit your proposed actions to those apartment buildings. Identify the apartment buildings you are focusing on (this will be a small number) and direct your outreach to these owners specifically. Let the 90% of landlords in Concord who will be outside of this scope know they will not be impacted by any new rent control rules.

2) Don’t re-invent the wheel. The state of California already regulates landlord actions and has produced an excellent summary of existing law regarding tenant rights and

responsibilities: <http://www.dca.ca.gov/publications/landlordbook/catenant.pdf> . This booklet is published by the California Department of Consumer Affairs. It is very comprehensive and easy to read. Why not build upon existing California law rather than cobbling together an assortment of controversial and confusing rent control measures? Have a look at the list of "Tenant's basic legal rights" on page 22. Isn't this where we should start in any discussion on communicating and reinforcing tenants' rights? Is city staff aware state law already imposes a form of rent control by way of extended notice for rent increases above 10%? See pages 31-33 for information about that.

3) Keep it simple. We should address this problem without a lot of bureaucracy or crisis-of-the-moment hand wringing. We should avoid complicated or controversial things like temporary moratoriums, expensive and time consuming mediation or arbitration processes, or confusing determinations like "just cause" or "nuisance".

Here are some specific recommendations I would offer in light of these principles:

- 1) Develop a list of the specific apartment buildings you intend to subject to further rent review and management. Inform the owners they are in your scope and then publish the address list so all stakeholders know whether their units are in or out of scope.
- 2) Inform the owners their properties now have a permanent limit of one rent increase per 12 month period, regardless of the type of rental or terms of new or existing lease agreements. (This change will be a huge help to tenants who are in fear of unexpected rent increases, and will help new tenants who can currently be exploited through bait and switch.)
- 3) Today California law requires owners to give tenants 60 days' notice for any rent increase above 10%. Modify that limit for these targeted properties as follows: Change the rent threshold to 5% and make it inclusive of all tenant recurring charges (rent, utilities, parking, etc.). Change the notice requirement from 60 to 120 days and require the owner to report the amount of the increase to the new rental hotline. A four month notice requirement will allow time for human service agencies to reach out to the tenants involved to help them adjust to the cost or help them find other accommodations.
- 4) Ask city staff to verify compliance with the hotline reporting requirement and ask them to compile a bi-weekly report detailing all calls received. Make that report available to the City Council, Code Enforcement, and local human services agencies who can reach out to tenants to help those who may need financial or relocation assistance.
- 5) Ask representatives of the apartment owners and tenant organizations to review the Consumer Affairs document and collaborate to create a shorter summary of tenants' rights and responsibilities in English and Spanish, including any new Concord ordinances, which can then be printed for delivery to all tenants and permanently posted in the common area of each apartment.

I hope you find these ideas useful. They can be implemented quickly and will be a big help to low income tenants without creating a bureaucratic and administrative nightmare. If you would like to discuss them further I would be happy to speak with you or a member of your staff.

Sincerely,

Mike McDermott 1301 Saddlehill Lane, Concord, Ca. 94521 cell: 925-451-1072.

-----Original Message-----

From: Sandi Muccino [<mailto:sandi.iluvre@yahoo.com>]

Sent: Tuesday, November 29, 2016 11:39 AM

To: Concord City Council

Cc: Sandi Muccino

Subject: Proposed "Rent Control"

To all concerned:

Unfortunately I cannot attend the meeting scheduled tonight due to medical issues, HOWEVER, my thoughts and concerns are:

1. I feel that the proposed rent limitations violate MY Constitutional rights, 2. The proposed limitations may FORCE existing tenants to MOVE in order to allow Landlords to re-rent to NEW Tenants willing to pay the current "market rent"; 3. At the end of the day...it seems that the existing Tenants are ALSO hurt by having to be forced to moving...even though they are okay and agree to the rent increase because the Rent increase is higher than "Allowed" under the proposed "Rent Control".
4. The proposed "Rent Control" may DISCOURAGE property owners from buying properties in Concord for "Investment" affecting ALL property values in Concord.

I am NOT in favor of this proposed "Rent Control"!!

Respectfully submitted,
Sandi Muccino

Sent from my iPad

-----Original Message-----

From: Carl Grant [<mailto:clgrant@astound.net>]

Sent: Sunday, November 20, 2016 8:38 PM

To: Concord City Council

Subject: Rent moratorium

Dear Concord City Council,

As a Concord resident I'm strongly in favor of a temporary moratorium on rent increases over 3%. It's the least we can do as a city to help prevent families from becoming homeless.

Carl Grant
1774 Sharon Drive
Concord 94519
925 825-8225

-----Original Message-----

From: Terry Osburn [<mailto:tosburn2009@gmail.com>]

Sent: Monday, November 28, 2016 8:23 PM

To: Concord City Council

Subject: Re rent control

I am not a resident of Concord but I do real estate. I have sold many homes in Concord.

I believe rent control is vital. I know that goes against the grain of many of my colleagues.

I have done property management in recent years and saw a lot of things going on.

I have no issue w investors making a profit but with the critical housing shortage we have and many families just scraping by seeing their rents jump \$400 to \$500 a month is the difference of how much food they can provide, meds and clothes and school items for their kids as well as their own needs.

Right now it is anyone's guess as to really where the housing market will go but if rents do not get stabilized the workers needed for local businesses will eventually disappear as they will relocate where cost of living is cheaper. That will hurt Concord more if businesses have to close because of lack of help.

I realize there are some bad tenants that have caused damage but there are some landlords w homes that have some serious issues(health n safety) who have slipped under the radar and charging high rents knowing their home could be exposing tenants to toxic chemicals or vermin etc

I would like to see some type of moratorium or cap for at least a few years to get a feel of where housing is going and not causing more people to go homeless and in the streets

I have been appalled by the increasing numbers living in vans and cars because they cannot afford rent but go to work

The overall number of homeless has increased immensely over the last few years in Concord, Pacheco and even Pleasant Hill etc. How much of this has been contributed to escalating rent prices ?' Some is mental health, some drugs, some just have lost their way.

Regardless I believe rent control is a needful statute to be in place at least for the present and near future to be reevaluated after a couple of years as for its needs and purpose.

Sorry I could not be at meeting.

Terry Osburn
Broker Associate
CalBRE 01255032

Sent from my iPhone
Please excuse any typos!

Have a great real estate day!

-----Original Message-----

From: Gordon Ringenberg [<mailto:ringco9@comcast.net>]

Sent: Monday, November 28, 2016 10:31 AM

To: Concord City Council; Hoffmeister, Laura; Leone, Ron; Grayson, Tim; Birsan, Edi; Griffin, Sue Anne;
Concord City Council; Hoffmeister, Laura; Leone, Ron; Grayson, Tim; Birsan, Edi; Griffin, Sue Anne

Subject: Rent increases in Concord

Dear General Helix, Members of Concord City Council and Housing Officials, I am writing to urge action by the Concord City Council to place a 3% Cap on rental properties in the City of Concord. The cap should remain in place until the matter has been thoroughly reviewed and all parties that would be affected by the issue have been heard. Certainly, December is not the time for any tenant to learn that his/her rent has been arbitrarily raised with the prospect of being evicted.

Although I am not a resident of The City of Concord (I live in Clayton) I am a member of Clayton Valley Presbyterian Church which has many member who are residents and renters in the City of Concord who are affected by this issue.

Further, I am a former landlord of a multiple-dwelling complex and understand the impact that unrestricted rent increases have on tenants.

Property owners have a right to a reasonable return on investment and rents need to reflect costs, but without a demonstrated basis for such increases, tenants have no protection against unwarranted demands and possible eviction.

Sincerely,

Gordon Ringenberg
Lt. Col. USAF (Ret)
218 Mountaire Circle
Clayton, CA 94517
(925) 672-1067

From: Roberta Spalding [<mailto:rlspalding@earthlink.net>]
Sent: Monday, November 21, 2016 7:38 PM
To: Griffin, Sue Anne
Subject: Proposed Concord moratorium on rent increases

Dear Councilman Helix,

As a twenty-six year resident and home-owner in Concord, I would support a temporary moratorium on rent increases provided it included the following:

- a) an exemption for those who own 4 or fewer rental units (unit being defined as one apartment within an apartment building, one condominium unit, one house, or one unit within a duplex or triplex whether single or multi-level) within the city;
- b) an exemption for those who are, in essence, sharing their home/condo/apt. with a housemate;
- c) an exemption for a unit that becomes vacant after being occupied for (TBD) months; and
- d) the duration does not exceed one year or, if longer, provision is made for an annual rent increase.

I realize that real estate investment companies are buying up properties in formerly distressed housing areas, bundling them, and selling off shares to investors looking for high rates of return. Jacking up rents to provide the investors with their expected dividends will certainly make Concord less affordable for people like me who chose Concord because it has a good stock of reasonably priced homes as well as convenient BART access.

As I lived in San Francisco for ten years prior to moving to Concord in 1990, I'm familiar with some of the benefits and costs of rent control. The net effect is to drive up prices over the long haul and to depress maintenance/renovation of units that have been occupied for many years. Also, people eventually will pull a unit from the rental market and sell it if it becomes a financial drain. Consequently, I believe it is important to be mindful of possible negative consequences when imposing rent controls.

Thank you for being willing to put this on the city's agenda.

Sincerely,
Roberta Spalding
2283 Fairfield Ave.
Concord

From: Virginia Teran [<mailto:virginia.teran@stbonaventure.net>]
Sent: Monday, November 28, 2016 4:27 PM
To: Griffin, Sue Anne
Subject: Letter to Concord City Council

Dear Dan Helix,

Now is the time to stand up for people in distress, who need a financial respite from increasing rents, unjust evictions and being forced to move from Concord. I ask you to put yourselves in other peoples' shoes and to vote to place a temporary moratorium to all rising rents until systems suggested by your city staff and members of your council are created and put in place.

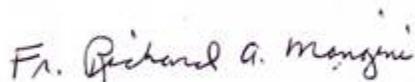
All of you have listened to the many experiences of people, and you have felt the pushback from special interests. I do not hear anyone wanting to put the interests of everyone together in a mutual proposal that seeks to answer the needs of everyone.

As the holidays approach, we need to see a positive and practical initiative from the Council that recognizes the complexity of the problem and that hold out some practical hope to those who are most affected.

Granted that the Council is in transition at this time is, but that is not a reason for inaction. I believe that inaction will be considered punitive. Three of you come from a long Roman Catholic tradition of Social Justice which I ask you to consider, a tradition that is more than politically correct and calls for a greater outcome for justice for those most grossly affected.

Please vote to move the process forward with temporary relief until greater systems can be put into place.

Sincerely Yours,

A handwritten signature in cursive script that reads "Fr. Richard A. Mangini". The ink is dark and the handwriting is fluid and legible.

Fr. Richard A. Mangini
Pastor
St. Bonaventure Catholic Church

Judy Weil
1012 River Rock Lane
Danville CA 94526

City of Concord
1950 Parkside Drive, MS/01
Concord, CA 94519
November 10, 2016

Dear Mayor and Councilmembers:

My Father and I own an apartment building in Concord and in Oakland.

In Oakland rent control has not worked. Because of rent control in Oakland, there are fewer apartments on the market which has driven up rents when an apartment comes available. Because of the decreased inventory and rent control, when an apartment does become available you choose the best qualified potential tenant with the highest income and credit rating. These qualifications preclude marginal renters from even being considered.

Because of rent control in Oakland people who would otherwise purchase property stay in rent controlled apartments. You end up with well qualified individuals who do not invest in the City they reside in.

Because of rent control, you do not have the cash flow to improve properties. If you cannot raise the rents to cover inflated garbage and sewer costs which have average increases above CPI, you cannot put in tenant improvements which would benefit the City.

Concord needs more housing not rent control. If we cannot raise the rents to cover expenses we cannot improve the property. Water and Garbage costs have risen more than 3% annually. We need to encourage property improvements and if rent control is enacted, allow 100% pass through to tenants. We have been to the City Council meetings and feel the apartment owners who are raising rents radically are not the small apartment owners such as us. Our apartment building in Concord is eleven units.

We encourage the City Council to exempt small buildings if a moratorium or rent control is enacted and expedite the building of homes on the prior military base.

Sincerely,

Judy Weil, Apartment Owner

From: Eddie White [<mailto:white.eddie150@gmail.com>]
Sent: Monday, November 28, 2016 5:37 PM
To: Concord City Council
Subject: Rental rate freeze

Our family rents a single family dwelling on Cowell Rd. We keep our rents lower than fair market value because we love our tenants. With this rent control enacted we will have to immediately begin raising our rate because if we don't we will be so far behind fair market value it will take us forever to catch up. We would prefer to work out our rates with our tenants. This proposal will force our hand

From: William Young [<mailto:williambenjaminyoung@yahoo.com>]

Sent: Monday, November 28, 2016 9:31 PM

To: Concord City Council

Subject: Objection to Rent Control Measures - Public Feedback from Concord Property Owner

Dear City Council,

I worked really hard to save money to buy this investment rental property. It is my savings and retirement. It is wrong for the government to take away my profit after paying for HOA, maintenance, mortgage and taxes.

In the long run, a policy of rent control reduces amount of real estate investment in Concord and reduces the construction of new apartment buildings, because potential real estate investors realize their revenues on such projects will be artificially capped. When there is less investment into the community, the supply and demand for ownership goes down resulting in low prices in the community. Lower price real estate has an impact on City and local tax revenues. When property values are higher, tax revenue is higher and the community thrives to become a more prosperous and progressive community. When the rents are high due to excessive demand and low supply, the free market will draw investors to build more capacity in the form of brand new housing in the area. On the other hand there insidious problems with rent control. First, the property values go down and have a harder time appreciating. Every community has a reputation and image as related to it's value. The higher the value, the better it is perceived. The lower the value of real estate, the community gets the reputation and inner city problems consistent with poor communities. Second, with a long line of tenants eager to move in at the government controlled ceiling price, landlords do not have much incentive to maintain the building. They don't need to put on new coats of paint, change the light bulbs in the hallways, keep the elevator in working order, or get out of bed at 5:00 a.m. when a tenant complains that the water heater is busted. If there are robberies in and around the building, the owner won't feel a financial motivation to install lights, cameras, buzz-in gates, a guard, or other costly measures to protect tenant. The policy creates a disincentive to upgrade and upkeep the property for aesthetics or comfort. Furthermore, if a tenant falls behind on the rent, there is less incentive for the landlord to cut her some slack, because he knows he can replace her right away after eviction. In other words, all of the behavior we associate with the term "slumlord" is due to the government's policy of rent control; it is not the "free market in action."

If the goal is to provide affordable housing to lower-income tenants, **rent control is a horrible policy**. Rent control makes apartments cheaper for some tenants while making them infinitely expensive for others, because some people can no longer find a unit, period, even though they would have been able to at the higher, free-market rate. Furthermore, the people who remain in apartments — enjoying the lower rent — receive a much lower-quality product. Especially when left in place for decades, rent

control leads to abusive landlords and can quite literally destroy large portions of a city's housing. A much better government policy is to support the building of affordable housing by granting tax incentives to builders etc.... to increase supply. Allow builders to

Rent control measures are a short term and short sighted fix. Increasing supply is the long term solution that is better for a positive image Concord.

William Young,
Landlord of 1 Bedroom unit.
1720 Laguna Avenue, Unit #E
Concord, CA

From: Mark Jordan [<mailto:mark@markcynthia.com>]
Sent: Tuesday, November 29, 2016 4:14 PM
To: Concord City Council; Heather Schiffman
Subject: Proposed Rent Control in Concord

Dear Mayor and Council members.

I am neither a resident of Concord nor do I own rental property within the City of Concord. I am a real estate broker, REALTOR and property owner, including rental property, within the County. I am a residential expert and have been engaged by council in several bay area counties and have almost forty years of experience. I have standing to address this matter with an expert opinion.

In reviewing the staff report I agree with many of the original findings of fact. Specifically, the increases in rental amounts and the stress it is placing on moderate income families. That said, we live in a supply and demand based market. With supply low and demand high the rents have increased. So have values and equity. Rent control is an artificial constraint on an open market.

My suggestions are as follows:

1. Convert your city to a Charter
2. Implement a living municipal wage
3. Engage the County Board of Supervisors to implement a living County wage
4. Engage all Bay area Counties to discuss an implement a living Bay Area wage
3. Develop a housing program the encourages development of more multi family housing by considering real property tax sharing with the development for a period of time, (5 or 10 years).

It would not be in the best interest of the City of Concord to implement a Moratorium or a Rent Control Measure in any form. While it may seem a reasonable idea that the owner of the property bear the burden of the limited rent it will in long term not solve the supply problem or the failure of the economy to pay large portions of the population a living wage.

--

Mark Jordan, Principal Broker
RE/MAX Preferred Properties
mark@markcynthia.com
www.markcynthia.com
Main Office: 2830 Lone Tree Way
Antioch, CA 94509
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BRE#: 00676018
NMLS#: 308676

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November 14, 2016

Mr. Ron Leone, Concord City Council
Mr. Dan Helix, Concord City Council

*CC Council
AM
Monty
Lepore*

Gentlemen,

I am writing today because of a recent newspaper article in which you were quoted as recommending that the Concord City Council consider enacting a 45 day moratorium on rent increases over 3 percent, creating a rental housing hotline and establishing a board to mediate disputes between landlords and tenants.

These actions would not be in the best interest of the City of Concord as they will likely impede current sales of existing buildings, deter new construction and deter current owners from making needed repairs. Why do I say this?

I recently purchased a building in Concord and my lender identified several deferred maintenance items requiring repair. It was necessary for me to raise rents to pay for the needed items and in fact, I would not have been able to buy the building without the ability to raise the rents. Today, broken windows, fences and appliances have been placed or repaired, regular pest service has been implemented, the laundry room has been updated, the building has been repainted and within a few weeks the driveway and parking areas will be repaired, resealed and restriped.

While it may have been necessary to raise rents more than 10%, I did so legally by giving all tenants the required 60 day notice and today, all of my tenants are still in place. Even with the increase, they still enjoy below market rents but now they also have significantly better living conditions. A 3% rental cap would have made it impossible for me to purchase the building and make the needed repairs. My neighborhood and the city of Concord are better off because of these improvements. I do not think you want to take any action which would impede this type of progress.

It is also important to note that the seller of this building had owned it for almost 30 years at a significantly lower tax basis so my purchase is resulting in more tax revenue for the city and that revenue is supporting local schools, paying the salaries and benefits of police and firefighters and maintaining public streets and railways. Those are all things that help strengthen our community and things you should encourage.

The article went on to say that Concord rents are up 30% since 2012 but that is an average increase of only 6.8% annually. And while that may seem like a lot, I have met several owners who implemented no rental increases and/or actually lowered rents during the housing downturn. If you factor in that period and look at the increase from 2010-2016, the average increase is less than 5% and it is significantly lower than other housing options.

For example, the Multiple Listing Service for the Contra Costa Association of Realtors shows that between January 1 and October 31 of 2012, there were 1030 sales of single family homes at a median price of \$310,000. During the same period this year there were 943 sales at a median price of \$557,500. That is an increase in the median sales price of 79.8%. Viewed in this context, an increase in rents of 30% should be seen as modest.

Regarding future rental rates, it appears the Bay Area market is starting to moderate as recently released figures for San Francisco and Oakland show rents falling. Many experts believe that an increased supply of apartments is helping to stabilize rents and in fact, lower them. If that is true, the most important question for the Concord City Council has nothing to do with rent control. Rather the best course may be to ask what actions can you take to encourage the development of additional housing? And that is especially true not at the luxury/high end, but at the low end where there appears to be the greatest need. Implementing rent controls are definitely not the best way to attract additional development and in fact, new controls may discourage development so please exercise caution.

Concerning the proposed hotline to collect rental data, while I understand the intent, who will bear the cost for promoting the hotline as well as staffing it and collecting and verifying the information gathered? If it will be landlords, you should expect them to pass the cost onto tenants and at a time when you are focused on stabilizing rents, this action is likely to increase them. Also, data suggests that rents throughout the bay area are moderating due to increased supply and a maturation of the current economic cycle so implementing the program now is less likely to garner much valuable information. Finally, this plan would only gather data on buildings with 13 or more units so it would be at best, an incomplete view of the situation.

With regard to the proposed landlord tenant mediation board, again it is an additional cost that landlords will pass onto tenants. And since it is non-binding, this is unlikely to be an avenue for solving landlord tenant issues.

Candidly the city needs more owners like me. Folks who are willing to show up daily and spend time and money solving problems and improving neighborhoods, even if it is only 1 property at a time. Implementing rent control means that I would not have had this opportunity.

Please know that I do not wish to gloss over any legitimate tenant concerns. I have heard complaints of landlords ignoring maintenance requests or retaliating against tenants who request repairs and that is clearly unacceptable. In those situations, tenants must be able to call the city and the city should take appropriate steps, either through code enforcement or other permitted actions to address those concerns.

Finally, I wish to close by stating that not all changes are bad. Concord has many strengths including a vibrant downtown, destination shopping options, access to convenient transportation and more affordable housing than many Bay area communities. For those reasons, it is going to attract new residents and to the extent that new residents have greater incomes and discretionary spending, it means they will go out more frequently and spend more

locally thereby increasing the city's economic base and tax revenues. All of these things are part of the natural development of a city and candidly they are reminders that Concord is headed the right direction. I encourage you to keep up the good work and use caution in implementing any action that might impede the progress the City has made and continues to make.

Respectfully,
Bill Burgoyne

From: [Sreenivas Ramireddy](#)
To: [Montagh, John](#)
Subject: Articles Against Rent Control
Date: Tuesday, November 29, 2016 1:50:49 PM
Attachments: [Articles Against Rent Control.pdf](#)

Good afternoon John,
Attached are couple of articles that talk against rent control. I am sure there are articles in favor of rent control as well. I don't know whether you can share them with the Council Members and City Staff. If you can, please do so.

Thanks,
Sreenivas

From: [Barone, Valerie](#)
To: [Fockler, Joelle](#); [Nakamura, Mary](#); [Brown, Susanne](#); [Simpson, Laura](#); [Walker, Victoria](#); [Montagh, John](#); [Griffin, Sue Anne](#); [Asera, Leslye](#)
Subject: FW: Concord Housing in the Aftermath of the Election
Date: Thursday, November 17, 2016 10:55:29 AM

This e-mail is being shared with all Councilmembers and Councilmember Elect Obringer

Councilmembers,

A communication that is calling for action to support an urgency moratorium in Concord on all rent increases above 3%.

Valerie

Valerie Barone, City Manager

City of Concord | Website: www.cityofconcord.org
☎ (925) 671-3150 | ✉ valerie.barone@cityofconcord.org
1950 Parkside Drive, MS/01, Concord, CA 94519

From: EBASE Kristi Laughlin [mailto:EBASE_Kristi_Laughlin@mail.vresp.com]
Sent: Thursday, November 17, 2016 9:50 AM
To: Walker, Victoria
Subject: Concord Housing in the Aftermath of the Election



email_header_hirez-01



Dear Friend,

It has been a challenging week for our country as we face heightened anxiety over our future and the values our nation stands for. As you know, Concord families and communities who have already been living on the edge are experiencing an even deeper insecurity.

While it may all seem overwhelming, there are concrete steps we can take to preserve our community. Concord residents, congregations, community organizations, and unions have pulled together to demand a temporary moratorium on rent increases above 3%.

Here are 3 things YOU can do to help keep families HOME for the HOLIDAYS!

1. Email City Council members and urge them to pass a temporary rent moratorium. Please let them know who you are, what your relationship to Concord is, and why you think this is an urgent issue.

- [general mailbox: citycouncil@cityofconcord.org](mailto:general_mailbox:citycouncil@cityofconcord.org)
- laura.hoffmeister@cityofconcord.org
- ron.leone@cityofconcord.org
- timothy.grayson.cc@cityofconcord.org
- edi.birsan@cityofconcord.org
- [Dan Helix care of sue.griffin@cityofconcord.org](mailto:Dan_Helix_care_of_sue.griffin@cityofconcord.org)

2. Come out to the next City Council meeting and speak about your personal experience with the housing crisis on Tuesday, November 29th at 6:30 pm at Concord City Hall, 1950 Parkside, Concord. **Your testimony really matters!**

3. Have your organization/congregation/network sign the letter to City Council endorsing a temporary moratorium. [Contact me for info.](#)

In solidarity,
Kristi Laughlin
Campaign Director

P.S. Taking 5 minutes to let the Council know how you feel can really make a difference to Concord families struggling to stay in their homes.

eblast footer



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East Bay Alliance for a Sustainable Economy
1814 Franklin Street, Suite 325
Oakland, California 94612
US

[Read](#) the VerticalResponse marketing policy.



Nakamura, Mary

From: Concord City Council
Sent: Tuesday, August 16, 2016 2:42 PM
Subject: FW: Rental Housing Ordinance

This email is being forwarded to all Councilmembers.

From: monumentdems@aol.com [mailto:monumentdems@aol.com]
Sent: Friday, August 12, 2016 2:21 PM
To: Barone, Valerie
Cc: Concord City Council; City Clerk
Subject: Rental Housing Ordinance

Valerie and others: Transparency as to what is being done to develop options for the Council regarding a rent stabilization ordinance, including who is being involved in the process, would be appreciated.

Below is my summary of the current situation in Concord, relative to rental housing.

Thanks, George Fulmore

Rental Housing Crisis In Concord

By George Fulmore

August 10, 2016 (August 12 update)

There should be no doubt in the minds of Concord residents that, currently, there is a rental housing crisis in Concord. If you don't rent, then this may be an abstract concept. Most who own homes/condos have predictable mortgages to pay each month. Banks cannot just "raise the rent" on homeowners.

But many of us who own homes have kids or know of other parents who have kids who rent apartments and are experiencing the significant rises in rentals. This kind of stuff trickles down to all of us. This is a major reason why we need a rental housing stabilization ordinance in Concord, along with Just Cause Eviction rules.

We live under a system of democratic capitalism. We need the capitalists to come up with the money and ideas to move us forward and to provide private-sector jobs. But we need democratic government to keep capitalists in line. Elected officials and City employees need to understand their obligations to serve all residents, not just the rich and powerful.

Paying for housing is typically the largest household expense, for both homeowners and renters. It can be equal to the sum of paying for food and transportation, combined. For those with children, paying for childcare can be another major expense. Paying for health care insurance also costs money; although, under Obamacare, it should be no more than 9.5% of the household income. Additional household expenses include education, telephones/entertainment, paying for debt, and savings.

Typically, except for long-term homeowners, people in the Bay Area, including Concord, are paying about 40-45% of their income for housing. This is at least 10% more than what it should be, historically, for housing expenses, but it is what it is, right now.

And, right now, in the Monument Community, rents for available studio/1b apartments are between \$1400-1500 per month; for 2b, \$1850-2000; for 3b, \$2000-2300. Incomes needed to pay for these units – figuring about 40% of one's income is needed to pay the rent -- are about \$3,600/mo, \$4800/mo, and \$5500/mo, respectively, after taxes. This equates to about \$43,000 per year, \$58,000 per year, and \$66,000 per year, again, after taxes.

For a one-income household, the hourly wage to pay ones bills would need to be about \$21, \$29, and \$33. For households with two incomes, it would need to be about \$11, \$15, and \$17.

The reality in Concord right now is that many renters are still paying less than the above figures for their apartments. They live in complexes where the landlords have not raised their rents to the "market." Yet.

Just two years ago, renters in The Monument were commonly paying between \$750/mo and \$1,200/mo for apartments. Many now are paying something between those former amounts and a "market" rent.

A rub is that Concord has no rent stabilization ordinance. Also, Concord does not have a Just Cause Eviction ordinance. As a result, more and more landlords, primarily in complexes with relatively new ownership, are eliminating relatively low-income residents in an attempt to raise all rents to the "market."

A sad reality is that no one individual or group in Concord is keeping track of all this. The City of Concord tells us that it simply does not have staff to do this. And there is no non-profit organization in Concord that specializes in rental housing data and assistance. The best we have – and it is very much appreciated – is the San Francisco-based Tenants Together and its East Bay organizer, Edwardo Torres. This group holds monthly Tenant Workshops in Concord to help those with eviction notices and/or unreasonable rent increases.

But if no one individual or group in Concord is keeping track of rental housing hikes, then this allows many to simply "look the other way," to pretend or act as if there really is no rental housing crisis in Concord right now. How sad is that?

There have been several Rental Housing Workshops recently in Concord to gather information and to hear presentations on all sides of this issue. Here are some of my conclusions, based on those events and on data that I have gathered through the years:

- 1) Small Landlords: I'm one of these, myself. For more than 30 years, I have owned rental property. I used to rent a house in Berkeley, but I sold that some years ago. I still own and rent a condo in Emeryville. I am familiar with the life of a small landlord, which I define as owning, maintaining and renting 1-10 units. Small landlords get into this "business" for two main reasons: there are tax write-offs by amortizing the value of the property as a "loss", as if the value goes down every year; and, by holding on to the property, as its value should increase at about 5% per year, on average. Over a 20-30 year period, a great deal of equity can be built up in rental property, the mortgage and other expenses of which have been paid for over the years by tenants.

Owning rental property requires time and energy and commitment. It can be a noble profession. But by owning 1-10 units, it cannot be a full-time profession. There is not enough income. So, unless a small landlord has other income, he/she needs to have other employment. That is what I did. I worked full-time during the years that I also actively managed my rental properties.

Small landlords, typically, hate to have tenants move. It can be a hassle to have to interview and pick new tenants, and to make sure that the unit is ready to rent to another. Small landlords appreciate long-term tenants and the consistent cash flow they provide; thus, small landlords are not in the business of wanting to kick long-term tenants out in order to increase the rent to "market." This is just not the way typical small landlords think.

For the most part, small landlords are not the problem in Concord when it comes to unjust evictions and/or unreasonable rent hikes; although, I'm becoming aware that some small landlords are very neglectful of their management responsibilities.

- 2) Investment Property short-term "flippers": These are the real bad guys. One of these is why rents escalated on Virginia Ln recently. A guy and his "investment partners" bought several complexes. Rents were raised about 33% almost immediately. Then, about two months later, they were raised another 15% or so, for a total of 50% or more over just a 4-5 month period. I hope that just about every Concord resident would see this as wrong.

Because Concord does not have a rent stabilization ordinance, the only limitations are State of California law, which says that the landlord can raise a rent as high as he/she wants as long as there is a notification of at least 60 days. And, a landlord can do this over and over again.

In the case of this one bad property investor, there appeared to be no attempt to improve the properties. No, the intent appeared to be to raise the rents to "market" as soon as possible, then to sell the property, based on its increased value because of the increases in rental income.

This kind of "business" practice just sucks money out of Concord into the hands of out-of-town bad guys. These guys and gals would appear to have no shame.

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Some of this would seem good to Concord leaders who want to see Concord properties improved. (Unfortunately, many of these folks also want to “upgrade” the tenants to those who might have more “buying power.”)

The bad news is that in this process of improving the properties, these mid-term investors have no shame about removing relatively low-income tenants. They simply raise the rents on folks directly to market. In one case, a woman who was renting at TERRA, she told me that when she went to try to renew her lease for her 2bd at \$1,350, she was told that the new rent would be \$1,950, a \$600 raise per month. She moved. She left Concord. She felt she had no choice. The alternative for these mid-term investors, of course, would be to raise rents gradually for long-term renters, many who simply cannot afford to jump to market rates.

Again, to my knowledge, no individual or group is keeping track of any of this. Tenants have been forced from their homes for more than the past year...and this is going on, continually. With no rent stabilization ordinance in Concord, there is nothing to stop the actions of these mid-term investors in rental property. Raising rents on long-term tenants, immediately, to market cannot be what we want in Concord. This needs to stop!

None of the above discusses subsidized rental units of which there are many in Concord, nor does it discuss Section-8 subsidies. These units deserve to be talked about at another time.

Also not mentioned above is that the State of California does not allow local rent ordinances to prohibit vacancy decontrol. If a tenant agrees to move, the rent on the apartment as it becomes available can be increased by the landlord, as he/she sees fit. This is how mid-term investors could do quite well under their business plan, if they saw fit to increase long-term investors at a reasonable rate over time, eventually, perhaps, to the market rate.

Also not mentioned is that newer apartments, anything built after 1995 is protected by state law from rent control, as are condos. So, beware of folks who tell you that the rent hikes issue is primarily because of not enough apartments. What they don't tell you is that just about all the new stuff will come to the market at the market rate.

The building of new apartment complexes in Concord will not help the availability of apartments for relatively low-income folks, those who clean homes, are caregivers, do landscaping and casual construction work, handymen, cooks and others in restaurants, those who work in hotels/motels, and many, many more.

We don't want to lose our percentage of relatively low-rent apartments in Concord. They are essential to maintaining housing for households with workers of essential services.

I've also not talked in this paper about the folks who really believe that it's all about “competition” in life. Either you pay the freight or you move on. Many of these folks believe that anyone who is not paying their “fair share” in a rental complex is making other tenants subsidize their rent and/or unfairly lowering the monthly cash flow to the landlord. And, if the landlord is not getting enough income, he/she will not maintain the property as he/she should.

Above, I've tried to make the point that small landlords do not think this way, and that mid-term and long-term landlords simply should not be in their business to “make a quick buck.”

Another group that I've not talked about are the long-term landlords of some of the larger complexes who are not in the business of kicking tenants out in order to raise the rents to market. I can't give

you an example of one of these in Concord, but I know they exist, and they should be recognized and rewarded for their efforts and business practices over the years.

As of this date, Concord City Staff, under our City Manager, I would think, is supposedly working on a presentation to the City Council of plausible options for the City of Concord to take in order to provide rental housing stabilization. I will let you know what I can find out about this.

My hope is that the City of Concord will have a rental housing stabilization ordinance and a set of Just Cause Eviction rules in place by the end of 2016.

Among the components of rent stabilization, there should be:

- 1) Only one rent increase per year;
- 2) A maximum percentage increase as set by the Concord City Council;
- 3) Rules for Just Cause Evictions
- 4) A Violation Form that can be submitted to the City for review and oversight and enforcement
- 5) A rule against a "teardown" to build a market-rate apartment complex that cannot come under any rent stabilization ordinance because it is a new complex.

Thanks, George Fulmore

Nakamura, Mary

From: Concord City Council
Sent: Wednesday, August 17, 2016 3:00 PM
Cc: Walker, Victoria; Montagh, John
Subject: FW: Concord Rental Housing

This email is being forwarded to all Councilmembers.

From: monumentdems@aol.com [mailto:monumentdems@aol.com]
Sent: Wednesday, August 17, 2016 9:26 AM
To: Concord City Council
Cc: City Clerk; Barone, Valerie
Subject: Concord Rental Housing

The following is a bit long, but if you can get through it, it will give you a good overview of what I think is a true accounting of what is going on right now with the issue of rent hikes in Concord. George Fulmore

Rental Housing Crisis In Concord

By George Fulmore

August 10, 2016

There should be no doubt in the minds of Concord residents that, currently, there is a rental housing crisis in Concord. If you don't rent, then this may be an abstract concept. Most who own homes/condos have predictable mortgages to pay each month. Banks cannot just "raise the rent" on homeowners.

But many of us who own homes have kids or know of other parents who have kids who rent apartments and are experiencing the significant rises in rentals. This kind of stuff trickles down to all of us. This is a major reason why we need a rental housing stabilization ordinance in Concord, along with Just Cause Eviction rules.

Paying for housing is typically the largest household expense, for both homeowners and renters. It can be equal to the sum of paying for food and transportation, combined. For those with children, paying for childcare can be another major expense. Paying for health care insurance, under Obamacare, should be no more than 9.5% of the household income. Additional areas of expenses include education, telephones/entertainment, paying for debt, and savings.

Typically, except for long-term homeowners, people in the Bay Area, including Concord, are paying about 40-45% of their income for housing. This is at least 10% more than what it should be, historically, for housing expenses, but it is what it is, right now.

And, right now, in the Monument Community, rents for available studio/1b apartments are between \$1400-1500 per month; for 2b, \$1850-2000; for 3b, \$2000-2300. Incomes needed to pay for these units – figuring about 40% of one's income is needed to pay the rent -- are about \$3,600/mo, \$4800/mo, and \$5500/mo, respectively, after taxes. This equates to about \$43,000 per year, \$58,000 per year, and \$66,000 per year, again, after taxes.

For a one-income household, the hourly wage to pay ones bills would need to be about \$21, \$29, and \$33. For households with two incomes, it would need to be about \$11, \$15, and \$17.

The reality in Concord right now is that many renters are still paying less than the above figures for their apartments. They live in complexes where the landlords have not raised their rents to the "market." Yet.

Just two years ago, renters in The Monument were commonly paying between \$750/mo and \$1,200/mo for apartments. Many now are paying something between those former amounts and a "market" rent.

A rub is that Concord has no rent stabilization ordinance. Also, Concord does not have a Just Cause Eviction ordinance. As a result, more and more landlords, primarily in complexes with relatively new ownership, are eliminating relatively low-income residents in an attempt to raise all rents to the "market."

A sad reality is that no one individual or group in Concord is keeping track of all this. The City of Concord tells us that it simply does not have staff to do this. And there is no non-profit organization in Concord that specializes in rental housing data and assistance. The best we have – and it is very much appreciated – is the San Francisco-based Tenants Together and its East Bay organizer, Eduardo Torres. This group holds monthly Tenant Workshops in Concord to help those with eviction notices and/or unreasonable rent increases.

But if no one individual or group in Concord is keeping track of rental housing hikes, then this allows many to simply "look the other way," to pretend or act as if there really is no rental housing crisis in Concord right now. How sad is that?

There have been several Rental Housing Workshops recently in Concord to gather information and to hear presentations on all sides of this issue. Here are some of my conclusions, based on those events and on data that I have gathered through the years:

- 1) Small Landlords: I'm one of these, myself. For more than 30 years, I have owned rental property. I used to rent a house in Berkeley, but I sold that some years ago. I

still own and rent a condo in Emeryville. I am familiar with the life of a small landlord, which I define as owning, maintaining and renting 1-10 units.

Small landlords get into this "business" for two main reasons: there are tax write-offs by amortizing the value of the property as a "loss", as if the value goes down every year; and, by holding on to the property, as its value should increase at about 5% per year, on average. Over a 20-30 year period, a great deal of equity can be built up in rental property, the mortgage and other expenses of which have been paid for over the years by tenants.

Owning rental property requires time and energy and commitment. It can be a noble profession. But by owning 1-10 units, it cannot be a full-time profession. There is not enough income. So, unless a small landlord has other income, he/she needs to have other employment. That is what I did. I worked full-time during the years that I also actively managed my rental properties.

Small landlords, typically, hate to have tenants move. It can be a hassle to have to interview and pick new tenants, and to make sure that the unit is ready to rent to another. Small landlords appreciate long-term tenants and the consistent cash flow they provide; thus, small landlords are not in the business of wanting to kick long-term tenants out in order to increase the rent to "market." This is just not the way typical small landlords think.

For the most part, small landlords are not the problem in Concord when it comes to unjust evictions and/or unreasonable rent hikes.

- 2) Investment Property short-term "flippers": These are the real bad guys. One of these is why rents escalated on Virginia Ln recently. A guy and his "investment partners" bought several complexes. Rents were raised about 33% almost immediately. Then, about two months later, they were raised another 15% or so, for a total of 50% or more over just a 4-5 month period. I hope that just about every Concord resident would see this as wrong.

Because Concord does not have a rent stabilization ordinance, the only limitations are State of California law, which says that the landlord can raise a rent as high as he/she wants as long as there is a notification of at least 60 days. And, a landlord can do this over and over again.

In the case of this one bad property investor, there appeared to be no attempt to improve the properties. No, the intent appeared to be to raise the rents to "market" as soon as possible, then to sell the property, based on its increased value because of the increases in rental income.

This kind of "business" practice just sucks money out of Concord into the hands of out-of-town bad guys. These guys and gals would appear to have no shame.

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Some of this would seem good to Concord leaders who want to see Concord properties improved. (Unfortunately, many of these folks also want to “upgrade” the tenants to those who might have more “buying power.”)

The bad news is that in this process of improving the properties, these mid-term investors have no shame about removing relatively low-income tenants. They simply raise the rents on folks directly to market. In one case, a woman who was renting at TERRA, she told me that when she went to try to renew her lease for her 2bd at \$1,350, she was told that the new rent would be \$1,950, a \$600 raise per month. She moved. She left Concord. She felt she had no choice.

The alternative for these mid-term investors, of course, would be to raise rents gradually for long-term renters, many who simply cannot afford to jump to market rates.

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My hope is that the City of Concord will have a rental housing stabilization ordinance and a set of Just Cause Eviction rules in place by the end of 2016.

Thanks, George Fulmore

Corres.

City Council of Concord
1950 Parkside Drive
Concord CA, 94519

August 29, 2016

Dear Council Members,

Thank you both for hosting the Housing Workshops on June 27, & July 26th. I commend the council for their commitment to finding a solution to Concord's housing crisis. I am a Christian man and help serve the under privilege in our community as well as in Oakland, so I empathize with their struggles.

Nevertheless, I am a middle class worker myself who saved enough money to buy a small 4-plex on Carleton Drive in order to secure a source of income for retirement since we can't count on Social Security. I am an ethical landlord who responds to tenant needs. Along with myself and a few other landlords we have transformed what was a "dope track" to a beautiful thriving community where working professional's want to live. When I bought my property in 2004 rents were \$1,100 for a 2 bedroom, 1 bath. I remodeled each unit with marble countertops, oak cabinets, dual pane windows, central air & heat, and include washer & dryers in each unit. My current rents are now \$1,625. That averages a 3% increase each year. During the recession years rents were flat and I actually lowered rents for three years to help my tenants meet the cost of living.

If the council passes rent control will you also pass measures that limits increases landlord's property tax, and require insurance companies and contractors to limiting fees? Doubtful! Yet by passing such a measure the council expects middle class landlords to absorb the rising cost of taxes, insurance fees, and cost of labor to subsidize individuals who did not make the same sacrifices we did as property owners. This is a form of social welfare and a role for the federal government, not private citizens.

I realize as city officials you are committed to find a solution to help your constituents who struggle to meet the rising cost of living. However, hundreds of other small business owners like myself are your constituents also, and we too are working hard to meet those rising cost of living. Pass such action directly impacts the livelihood and security of those constituents. It's a win/lose scenario which is never good for anyone in the long run.

In closing, I assume the Council will adopt some sort of rent control policy due to political pressure regardless of the proven negative economic impact rent control has on local economy. Therefore, I ask you consider your decision will be impacting the long term security of individuals. Small business owners like myself are not the problem. This current public outcry was triggered by two commercial corporations which make up a small percentage of Concord's property owners. Any policy adopted should include the following:

Units of 4 or less are exempt.

Landlord limited to 1 increase a year (12-month period) not to exceed 15%

All increases greater than 10% require a 90-day notice.

Any provision for Just Cause for eviction must not overly favor tenants for lease violations

All landlords of non-owner occupied units must register for business license.

I welcome the opportunity to speak with any of you or to discuss ideas of how as a community we can move forward to find a long term solution to help families secure affordable housing.

Thank you for your consideration in this matter.

Respectfully,

Blaine R. Carter
3130 McKean Drive
Concord CA 94518
(925) 963-6168

Cc: Laura Hoffmeister
Edi E. Birson
Dr. Ron Leone
Tim McGallian
Daniel Helix

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Rent Control in Perspective - Impacts on Citizens and Housing in Berkeley and Santa Monica Twelve Years Later (August, 1993)

EXECUTIVE SUMMARY

This report describes a research project which used 1980 and 1990 Census data to examine the socioeconomic impacts of the rent control programs in effect in Berkeley and Santa Monica, California throughout the 1980s. The 1980-1990 Census decade coincides with the first decade of these two fundamentally similar programs, allowing meaningful analysis of the impacts of these cities' rent control programs on rental housing and on economically disadvantaged population subgroups.

Academic models which shed light on the potential effects of rent control programs are described in the report, and predictions are derived. In addition, a "progressive hypothesis" is articulated, describing the theories by which rent control has been justified to the electorate in Berkeley and Santa Monica. Relevant demographic and socioeconomic variables were examined for each subject city, for the surrounding counties, the surrounding SMSAs, for the State, and for ten comparably-sized northern California cities and ten comparably-sized cities in Southern California.

The study finds that these programs were associated with a reduction in the stock of rental housing of 14% in Berkeley and 8% in Santa Monica. In contrast, no comparison city lost rental housing. There were also, in Berkeley and Santa Monica, significant reductions in the numbers of persons and households in the subgroups targeted for assistance by their "progressive" housing policies: low income households, college students, elderly persons, families with children, and disabled persons. In contrast, the numbers and percentages of these groups grew during the 1980s in most of the comparison cities.

It is concluded that restrictive rent control programs create tight and shrinking rental housing markets in which the economically advantaged succeed more consistently than the economically disadvantaged in securing controlled housing and the subsidy that accompanies it. The evidence suggests that a public choice model characterizing rent control (along with growth control, down-zoning, "neighborhood preservation", and eviction control) as an exclusionary program promoting accelerated "gentrification" of host communities may be correct.

The report concludes that the "progressive hypothesis" - the theory holding that rent control will be effective in assisting the poor and in preserving socioeconomic diversity within a rent controlled community - is not correct. As it turns out, restrictive rent control programs like those in Berkeley and Santa Monica seem to have effects which are diametrically opposite to those predicted by the progressive hypothesis. Rent controls seem to reduce population diversity and exclude economically disadvantaged households from rent controlled communities.

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City Council of Concord
1950 Parkside Drive
Concord CA, 94519

September 12, 2016

*Concord
C.W.
Walker
Monte
Lopez*

As the owner of just one single 4-plex on Carleton Drive I have expressed concerns about the negative impact rent control measures would have on my ability to operate and maintain the quality of housing I currently offer by limiting my ability to keep pace with the rising costs of maintenance for property tax, insurance, and labor costs for repairs.

Hopefully you have read the economic impact studies I have provided during the past two months which identify the negative effects rent control has on city's finances and the people they are intended to help.

An article in yesterday's San Francisco Chronical reinforces many of these proven facts. The lead article titled "Ballot battles on rent control. Economists say it's a bad policy, doesn't help create new housing." A few of the key points mentioned are:

- 81% of today's top economists agree that rent control in major cities like San Francisco & New York does not increase quantity and quality of affordable housing.
- In 2013 the Urban Institute after researching rent control found "very little evidence that rent control is a good policy"
- rent control "Puts the burden of housing affordability on the backs of a few people."
- rent control has an unintended effect of creating even higher rents on all new leases driving up costs to mitigate the cost of units that are under rent control.
- rent control lacks any system to means test for tenants who need it most.
- rent control protects high-income tenants as well as working-class ones displacing lower income tenants
- A 2016 report in February by California's Legislative Analysts warned that rent control encourages property owners to cut back on maintenance and repairs "Over time this can result in decline in overall quality of communities housing stock."

The public likes to tell dramatic stories about greedy landlords who increase rents like the woman in the article who's rent was increased \$1,000. She is 63 years old living on a pension and struggling to meet the cost of living. However, the truth is in the facts. She moved into her apartment in 2002 with a rent of \$1,850. Her landlord recently died and the son took ownership of the property raising the rent \$1,000 to \$2,850. The woman admits her rent remained flat at \$1,850 for the past 14 years. The \$1,000 increase by the new owner represents a 54% increase when annualized over 14 years equates to a 3.8% increase per year. The women had the benefit of living in her apartment for the past 14 years enjoying below market rent. Now under new ownership the landlord is adjusting the rent to its actual market value. Had the woman been given a 3.8% increase each year for the past 14 years, her rent would be the same.

This scenario is similar to the situation on Monument which triggered public outcry. Tenants in two isolated complexes enjoyed the benefit of living there without any increases in rents for years well below market value because the property manager did not enforce annual increases. When the current owner chose to sell the new owner sought to recoup their investment by raising rents to the current market value. Many of the occupants around Monument reside in the US illegally, and combine 6-10 persons per apartment causing excessive wear and tear to the property in essence creating a barrio appearance and loss of value for the owner's investment. It is a risk many are not willing to take on.

In closing, despite the facts that rent control has been research and shown to be a failed policy I assume the council will pass some sort of measure due to political pressure by an highly visible & outspoken subset of constituents.

Therefore, I ask that any measure **1) Exempt multifamily units of 4 or less. 2) Stipulate 1 rent increase per year between 10-15%. 3) Increases greater than 10% requires 90-day notice. 4) Require all Landlords to obtain Business License and multi-family certification with inspection from Neighborhood Preservation.**

Small business owners like myself are not the problem and actually benefit the community. Just ask Cindy Turlington in the Neighborhood Preservation department who has worked with myself and landlords like John De Sousa for the past ten years to transform and beautify our community by providing affordable high quality housing for tenants.

Thank you for your consideration in this matter.

Respectfully,

Blaine R. Carter
3130 McKean Drive
Concord CA 94518
(925) 963-6168

Cc: Laura Hoffmeister
Edi E. Birson
Dr. Ron Leone
Tim McGallian
Daniel Helix

San Francisco Chron

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Ballot battles on rent control

Economists say it's bad policy, doesn't help create housing

The concept of rent control, once found mostly in large cities, is spreading to the Bay Area's suburbs, even though virtually every economist thinks it's a bad idea.

Six Bay Area cities have measures on the November ballot that would protect existing tenants from the stratospheric rent increases that are a result of job growth far outstripping housing creation.

In San Mateo, Burlingame, Mountain View, Alameda and Richmond, voter initiatives would establish rent and eviction controls.

KATHLEEN PENDER
Net Worth

In Mountain View and Alameda, voters will face dueling ballot measures — the voter initiative and another placed on the ballot by their respective city councils that would continue the mediation and arbitration programs that each city started this year to hear disputes over rent increases exceeding certain amounts. In Oakland, the City Council placed a measure on the ballot to make its existing Rent Adjustment Program more favorable for tenants.

Since 2010, the average asking rent for units of all sizes in the nine-county Bay Area has risen by roughly \$1,000, or 66 percent, to \$2,504, according to Novato research firm Real Answers.

"The rent crisis is tearing apart

△ Continued P. 3

From page A10

charge whatever the market will bear, raise the rent when the lease is up and evict tenants for any reason, with proper notice.

Cities with rent control typically limit not just annual rent increases (which is what most people think of as rent control). They also restrict the circumstances under which landlords can evict tenants, even when their lease is up, to certain "just causes," such as nonpayment of rent and criminal activity on the property. In these cities, landlords must go to court to prove just cause and get a judgment to evict them, Bannon said.

If a city only limited rent increases, landlords could simply evict tenants when their lease is up and charge the next one market rates.

Two state laws place some limits on both rent control and eviction control.

The Costa-Hawkins Rental Housing Act exempts multifamily apartments built after Feb. 1, 1995 — and all single-family homes and condos, whenever built — from limits on rent increases. It also said that when tenants voluntarily vacate a rent-controlled unit, owners can charge the next tenant market rates, but after that it becomes subject to the annual rent control limit.

Costa-Hawkins does not prevent cities from imposing eviction controls on any type of rental housing — including single-family homes and apartments of any age. That allows cities to limit

causes, including those allowed under a 1985 law known as the Ellis Act.

The Ellis Act says cities cannot prevent owners from evicting tenants from a unit so the owner or a family member can move in. Nor can they prohibit owners from evicting all tenants from a building so they can go out of the rental business. However, cities can impose certain rules on Ellis Act evictions and require landlords to compensate tenants, up to a limit, who are displaced under the law.

All of the rent-control measures on the November ballot exempt multifamily homes built after February 1995 and single-family homes from price controls, as required by law. Some of these measures also exempt single-family homes and newer condos from eviction controls.

Whether these measures can get the simple majority needed to pass could depend on the percentage of households that rent in each city, Palmer said. According to 2014 U.S. Census Bureau data, renter percentages were about 45 percent in San Mateo, 52 percent in Burlingame, 53 percent in Alameda, 55 percent in Richmond, 60 percent in Mountain View and 61 percent in Oakland.

Owners and renters wondering how the measures would affect them should read them carefully before casting a vote.

Kathleen Pender is a San Francisco Chronicle columnist. Email: kpender@sfgchronicle.com

* See Page 2
OVER

FROM THE COVER

Suburbs consider limits on rent hikes

Continued from page A1

and uprooting them from, in some cases, decades of living in the community," said Jennifer Martinez, executive director of Faith in Action Bay Area, which sponsored Measure Q in San Mateo.

Diane Fjelstad said she helped gather signatures for Measure Q after her new landlord raised the rent on her two-bedroom, two-bathroom apartment in a family-owned building near downtown San Mateo from \$1,850 to \$2,850 a month in Octo-

ber. Her previous landlord had not raised the rate since she took up residence in 2002, and actually reduced it when Fjelstad's daughter turned 18 and she lost child support.

Fjelstad was expecting a rent increase when the landlord died and another family member took over, but not \$1,000. "I'm a retired psychiatric worker, living on a (state) pension. I'm 63 years old and have a daughter living with me who is working full time. To pay the additional rent, I took out Social Security early," Fjelstad

said. "Because we don't have renter protections,

if he raises the rent again, I will be displaced. I'm already cost-burdened, with about 35 percent of my income going to rent."

Economists are sympathetic but say rent control is unfair. In California, it helps incumbent tenants in rent-controlled units but does nothing to encourage housing creation.

A 2012 survey by the University of Chicago's Booth School of Business asked respected economists if they agreed that rent-control ordinances in cities such as New York and San Francisco have improved the quantity and quality of affordable rental housing over the past three decades. Eighty-one percent disagreed, 2 percent agreed and 9 percent were uncertain or had no opinion.

In 2013, Peter Tatifan of the Urban Institute reviewed academic research on rent control and found "very little evidence that rent control is a good policy." The strongest finding of one comprehensive survey was that "tenants in noncontrolled units pay higher rents than they would without the presence of rent control, one reason being that landlords need to make up the difference for lower rents in controlled units."

Rent control "puts the burden of housing affordability on the backs of a few people," said Christopher Palmer, assistant professor of real estate at UC Berkeley's Haas School of Business. "It's a way to say housing is unaffordable, we want to help so we are going to stick it to the man — absentee

"What it prevents is landlords evicting moderate-income tenants and replacing them with people paying twice as much."

Juliet Brodie, Stanford Community Law Clinic

landlords with tons of capital. It's not clear they should be the ones having to pay for the affordability mess we are in," Palmer said.

Or even that they will. Essex Property Trust, based in San Mateo, is a publicly traded company that owns many large complexes in the Bay Area. In a call with analysts last month, its CEO said that rent-control measures "will have limited impact on Essex, primarily because the vast majority of our properties are newer than the rent-control cut-off dates." He added that renewals at below-market rates are "partially mitigated by higher rents on new leases, reflecting the unintended secondary effect of rent control."

Palmer pointed out that not all landlords are rich. He knows a couple in Oakland — a public school teacher and his wife — who own rent-controlled apartments occupied by tenants who earn more than they do.

Likewise, rent control protects high-income tenants as well as working-class ones. "Not one of these rent-control measures on the ballot have any means testing. You can be making \$150,000 a year, and if you are in a rent-controlled unit, you are never going to leave. All of a sudden there is no trickle effect. No work-

ing-class family will ever get that unit," said Thomas Bannon, CEO of the California Apartment Association, which represents landlords.

In a report issued in February, California's Legislative Analyst's Office warned that rent control could encourage property owners to cut back on maintenance and repairs. "Over time, this can result in a decline in the overall quality of a community's housing stock," it said.

Juliet Brodie, who directs the Stanford Community Law Clinic and helped draft what became Measure V in Mountain View, acknowledges that rent control, like any public policy, has shortcomings. "What it prevents is landlords evicting moderate-income tenants and replacing them with people paying twice as much," she said. "I would be perfectly happy to tolerate lucky Google employees who decided to lease up at the right time and have \$1,700 (a month) rent to protect families who are being kicked out in the middle of the school year."

To understand the arguments for and against these measures, it helps to understand how rent control works in California.

In cities without rent control, landlords can

Continues on page A11

P. 2

Rent-control proposals on November ballots

BURLINGAME

Measure R: Voter initiative. Limits rent increases on pre-1995 multifamily buildings to the Consumer Price Index increase (but not less than 1 or more than 4 percent). Establishes just-cause eviction rules for all rental property including single-family homes, condos and multi-family units, whenever constructed.

SAN MATEO

Measure O: Voter initiative. Limits rent increases on pre-1995 multifamily buildings to CPI increase (but not less than 1 or more than 4 percent). Establishes just-cause eviction rules for all multifamily units constructed before the measure takes effect. Single-family homes and condos exempt from rent and eviction control.

MOUNTAIN VIEW

Measure W: Placed on ballot by City Council. Would amend rent program that the city started in April to require binding arbitration for rent increases exceeding 5 percent on pre-1995 buildings. Also limits evictions to just causes, unless landlord complies with the city's Tenant Relocation Assistance Ordinance.

Measure V: Voter initiative. Rolls back rents on pre-1995 multifamily units to October 2015 levels, limits future increases to CPI increase (but not less than 2 or more than 5 percent). Limits evictions on multifamily units constructed before the measure takes effect. Exempts single-family homes and condos from rent and eviction controls.

ALAMEDA

Measure L: Placed on ballot by City Council. Would continue program that the city started in March that requires mediation on increases above 5 percent (mediation is binding only for multifamily homes built before February 1995) and limits evictions on all rental property.

Measure M: Voter initiative. Rolls back rents on pre-1995 multifamily buildings to May 2015 levels and limits future increases to 65 percent of the CPI increase. Establishes eviction controls on all rental property, including single-family homes, condos and multifamily units built since 1995.

RICHMOND

Measure L: Voter initiative rolls back rents on pre-1995 multifamily apartments to July 2015 levels and limits future increases to the CPI. Imposes eviction controls on all rental units.

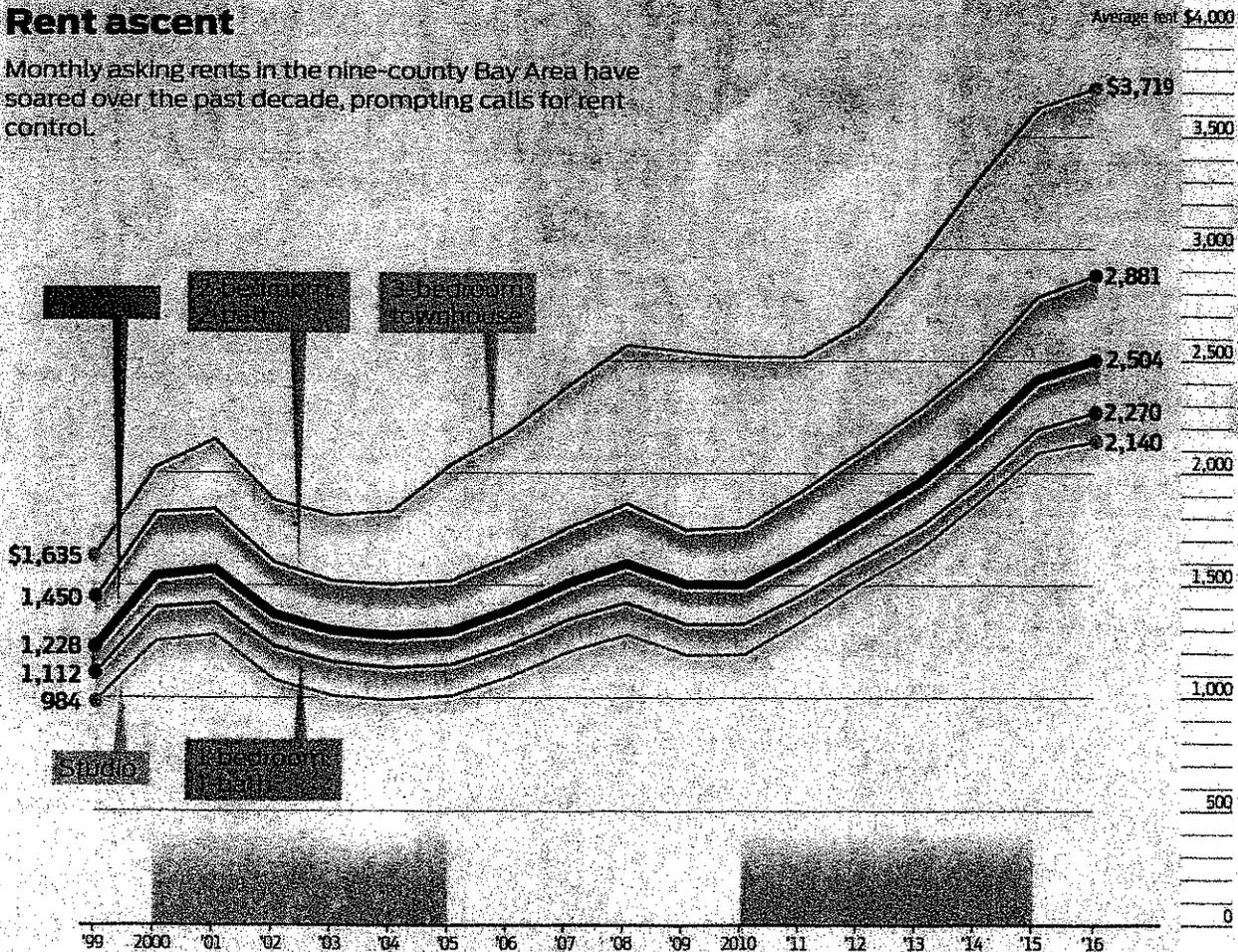
OAKLAND

Measure J: Placed on ballot by City Council. Would amend Oakland's Rent Adjustment Program. Requires owners of multiunit apartments built before Jan. 1, 1983, to get city approval before raising rents by more than the CPI increase. Also extends just-cause eviction protections to buildings constructed through Dec. 31, 1995; existing cutoff is Oct. 14, 1980.

Note: Find links to the full ballot measures and analyses in the online version of this story at www.sfchronicle.com.

Rent ascent

Monthly asking rents in the nine-county Bay Area have soared over the past decade, prompting calls for rent control.



Source: Real Answers

John Blanchard / The Chronicle

Central Labor Council of Contra Costa C AFL-CIO

1333 PINE STREET, SUITE E, MARTINEZ
TELEPHONE: (925) 228-0161
FAX: (925) 228-0224

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS
CALIFORNIA LABOR FEDERATION, AFL-CIO

Meets Third Wednesday

MAILING A
MARI

Concord City Council
1950 Parkside Drive
Concord, CA 94519

26 September 20

RE: Urgent request for a temporary moratorium on rent increases and unfair evictions

Dear Mayor Hoffmeister, Vice-Mayor Leone, and Councilmembers Birsan, Grayson, and Helix:

The City of Concord is experiencing an affordable housing crisis. Skyrocketing rents — which have increased 60% in the last six years alone — are driving many Concord residents from our City. Other residents, whose income has not come close to keeping pace with soaring rents, are faced with agonizing choices between paying rent and providing their families with the basic necessities of food, medical care, and school fees. Many Concord residents are especially hard hit by spiking rents:

- the elderly whose fixed incomes have been severely burdened by increasing rents;
- the beneficiaries of the Section 8 housing program are impacted as fewer landlords participate in the program and market rents far outpace the rent levels supported by the program;
- wage earners who do not make the \$35.00/hour required to afford the \$1,825.00 monthly rent for the average 2 bedroom apartment in the City must move further from their jobs and spend more time on the road commuting and less time with their families; and,
- young people, many of them raised in Concord, find it impossible to make the City home for themselves and their families. The diminishing number of young families living here casts a cloud over our City's future.

Ample data and testimony have been presented to you about the hardships inflicted on these groups and others in Concord from the relentless rent increases. There is broader damage to our City as well. Escalating housing costs drive renters into poverty: when housing costs are taken into account, the poverty rate in Contra Costa County increases by almost 50%, from 12.5% to 18.6%, giving the County the 9th highest poverty rate in the State.[1] And the rent increases are changing the character of Concord: the availability of affordable housing for all income levels is rapidly diminishing and may have disappeared entirely for many. This loss of affordable housing to skyrocketing rents defeats one of the core goals the City has set for itself: To "preserve and enhance the livability of Concord's residential neighborhoods with opportunities for a broad range of housing options." [2] Importantly, rapid increases in rent harm all of Concord because residents have less to spend at local businesses. Ours is not only a concern for the most vulnerable in Concord, but also for the entire Concord economy.

[1] <http://chpc.net/wp-content/uploads/2015/11/1-2015StatewideHousingNeedReportFINAL.pdf>.
[2] City of Concord Corporate Goals, <http://Cityofconcord.org/page.asp?pid=5003>.

RECEIVED

SEP 27 2016

CITY MGR'S. OFFICE

Central Labor Council of Contra Costa County AFL-CIO

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS
CALIFORNIA LABOR FEDERATION, AFL-CIO

1333 PINE STREET, SUITE E, MARTINEZ
TELEPHONE: (925) 228-0161
FAX: (925) 228-0224

AGRICULTURE
Meets Third Wednesday

MAILING ADDRESS: P.O. BOX 389
MARTINEZ, CA 94553

253

Concord City Council
1950 Parkside Drive
Concord, CA 94519

26 September 2016

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Mindful of the hardship our neighbors are suffering and prompted by our values to speak up for a City that serves all its residents, we at the Central Labor Council, AFL-CIO have become part of a coalition of faith, labor and community groups working to ensure that the housing needs of all income groups are met in Concord. You have heard us urge the Council and its committees to take immediate and decisive action to implement affordable housing policies in our city, including housing for the homeless and protections for poor tenants in our city. We have been seeking:

- An end to unaffordable and unreasonable rent increases imposed on the poorest Concord residents;
- An end to unjust evictions;
- Diligent enforcement of Concord standards for habitable rental units; and,
- The implementation of more equitable processes for adjudicating disputes between tenants and landlords.

These objectives have not yet been achieved.

We appreciate that the Concord City Council is being very thoughtful about the kind of solution that it will create for our city. However, hundreds of our families are facing displacement because of unreasonable rent increases and unjust evictions. Tenants cannot be patient with the City of Concord's process while landlords are raising rents and forcing tenants to move.

We are therefore asking for two simple steps to be taken immediately:

- **The implementation of a moratorium on rent increases above 3 percent if no increase has been made in the prior 12 months; no increase to be made if there has been any increase in the prior 12 months; and,**
- **The implementation of a moratorium on evictions for unjust reasons.**

These moratoriums should be temporary - they should remain in place only until such time as fair, permanent ordinances can be developed and implemented. Permanent ordinances should ensure that Concord housing policies balance the interests of ALL Concord residents, and that the city's existing policies and objectives regarding housing affordability are met.

We are happy to work cooperatively with city staff and the council and its committees to develop specific language for these moratoriums. We look forward to joining you in that effort.

Signed,



President

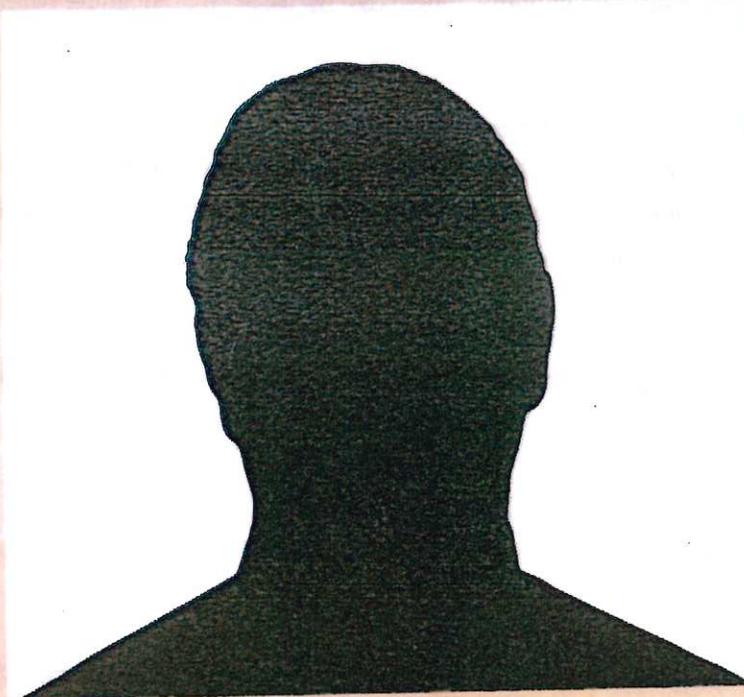


Executive Director

DON'T LET
THIS BE YOU

WANTED

for **EXCESSIVE
RENT INCREASES**



California Apartment Association
980 Ninth Street, Suite 1430
Sacramento, CA 95814
(800) 967-4222
www.caanet.org

RECEIVED

SEP 27 2016

CITY MGR'S OFFICE

*cc
Christie
Valerie
John
Kane*



An Important Message from **California Apartment Association**

A little bit of common sense goes a long way

CAA is committed to ensuring all rental property owners are equipped with common sense advice for avoiding potential problems for the property owner and the entire industry.

City officials are reporting an increase in calls from residents who feel their rents have increased beyond acceptable levels and are even being forced out of the cities where they have lived with their families for many years. With more calls to City Hall and heightened media and political attention on the rental housing industry, aggressive rent increases and their emotional impacts upon residents leave a lasting effect on city leaders. It only takes an innocent misstep or an overreaching rental housing provider to energize resident advocates to urge the adoption of government rules and regulations that aim to enact "renter protections" such as rent control.

CAA suggests that if you raise rents, please consider these factors. Please refer to the association's "Tips for Rent Adjustments" which can be used as a guideline when adjusting rents.

IMAGINE YOURSELF IN THE HEADLINES

It is absolutely essential to consider that anything one does in terms of rent increases or eviction could easily appear on the front page of your local newspaper or as the lead story on a television news hour. No rental housing provider wants to be the example in the headlines.

MODERATE RENT INCREASES

A long-term strategy of gradually and consistently providing moderate rent increases is the best tool for retaining long-term residents.

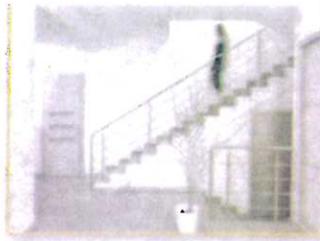
BE SENSITIVE FOR HARDSHIP CASES

Recognize the benefits of long term residents and be sensitive to residents with true financial hardships.

CONTACT CAA

Members who have problems, questions, concerns, or are in need of advice, can call CAA to brainstorm solutions to the challenges rental property owners and managers face.

Together, we can provide quality housing, ensure you run a successful business, and keep the government from further regulating the rental housing industry.



TIPS FOR RENT ADJUSTMENTS



As the availability of new rental housing trails demand, apartment rents and rent increases may start to reach new levels. This produces a variety of responses from residents and may raise concern among community leaders.

The California Apartment Association (CAA) encourages rental housing providers to moderate their rent adjustments, offer residents at least 60 days advance notice of rent adjustments, and be willing to engage in mediation discussions with residents.

CAA has prepared this series of guidelines to help rental property owners work through the rent adjustment process for all parties.

- 1 Keep rent increases reasonable for their residents.
- 2 Provide residents predictability and the opportunity to plan ahead.
 - a. Provide at least 60 days notice for rent adjustments;
 - b. Consider adopting a policy of one annual rent adjustment;
 - c. If renovations require terminating tenancies, consider offering longer than 60 day notices to vacate, and other assistance as appropriate.
- 3 Attach a sensitively written letter to your notice of rent adjustment.
 - a. Point out increased operational costs such as taxes and utilities;
 - b. Share information about upcoming or recent improvements to the property that made the community a nicer and safer place to call home
- 4 Give your residents a sense of the value they are getting for their increased rent.
 - a. Try to make property improvements before or concurrently with adjusting rent;
 - b. Inform residents of the improvements you have made or will make to the property;
 - c. Expect and promptly attend to repair requests.
- 5 When residents ask to discuss their rent increase with you or the property manager, be knowledgeable on their rent history. Be willing to listen to them openly and consider special arrangements for hardship cases such as residents who are on fixed incomes.
- 6 Be responsive if a mediation agency calls and be willing to enter into a mediation discussion. CAA strongly encourages you to take advantage of this important communication vehicle.
- 7 Consider the impact of your actions on your residents and consider the public's perception of your company and the rental housing industry.
- 8 Be aware of the limitations, restrictions, and applicable rules, if any, in the cities where you have property. Call CAA if you are unsure.



California Apartment Association

980 Ninth Street, Suite 1430
Sacramento, CA 95814
www.caanel.org



RESIDENTS' BILL OF RIGHTS

As members of the California Apartment Association, we take pride in providing quality rental homes for our residents. We value our residents and recognize our partnership with them in maintaining the rental housing industry. We believe residents should be aware of their rights in this partnership. Therefore, know that,

- A Resident has the right to be treated fairly and equitably when applying for, living in, and vacating a rental residence.
- A Resident has the right to be given notice prior to any entrance into a rental residence by a rental property owner or manager, except in an emergency.
- A Resident has the right, upon written request to the rental property owner or manager, to a prompt response to requests for repairs.
- A Resident has the right to a written notice from the rental property owner or manager prior to any rent adjustment.
- A Resident has the right to the return of any security deposit that may have been collected by the rental property owner or manager and a good faith accounting of any charges against that deposit within 21 days after the rental residence has been vacated.



CAA CODE OF ETHICS

We, the members of the California Apartment Association, recognize our duty to the public and to those individuals who choose to reside in rental housing. Being ever mindful of the increasing role of the rental housing industry in providing homes, we have united ourselves for the purpose of improving the services and conditions of the rental housing industry. Therefore we adopt this Code of Ethics as our guide in dealing with all people and encourage all members of the rental housing industry to abide by these ethical principles.

- We conduct ourselves in an honest and ethical manner at all times to better the communities of which we are a part.
- We comply with all laws and regulations applicable to the rental housing industry.
- We adhere to all fair housing principles.
- We respect the rights and responsibilities of our residents and diligently respond to their requests.
- We believe that every resident is entitled to the quiet enjoyment of a safe and habitable residence.
- We strive to conserve natural resources and to preserve the environment
- We believe in the importance of continuing education for rental housing owners, managers, and residents.
- We maintain an equitable and cooperative relationship among the members of this association and with all others who may become a part of this industry in order to further the interest of all members of this association.

Concord City Council
1950 Parkside Drive
Concord CA, 94519

September 28, 2016

cc
C.M.
X
J. Simpson
J. Montford
V. Walcott

Dear Council Members,

I want to thank you for holding the Workshop on Housing this past Monday evening September 26, 2016. I want to especially thank members Helix and Leone for their continued efforts to research the problem and solutions for the housing situation that arose on Monument earlier this summer. The line of questions from the council members shows they are both dedicated to finding a meaningful solution without negatively affecting small business owners such as myself.

I agree with councilman Helix that I thought the presentation by the city manager was informative. A couple key statistics I found relevant were:

- 82% rental building owners own a single parcel (this suggest the majority are small business owners like myself)
- Rent Increased 34% overall between 2012-2016 (that's only an average of 6.9% annually, with only 4.4 % in 2015-2016)
- 2nd Qtr year over year increase for Concord of 8.3% was less than Martinez 13.1%, Walnut Creek 12.1% Antioch 10.4%

What these statistics tell me is that the majority of rental units in the city of concord are owned by small business owners like myself who have kept rental increases in line with normal market increases in the housing market. These property owners are not the reason, nor the problem which created the public outcry on Monument Blvd this past summer.

Therefore, it is unnecessary to pass sweeping rent control measures for all owners of rentals when the public outcry resulted from a small minority of landlords who own larger multi-plex units that behave unethically raising rents above normal market rates multiple times a year. That is an example of capitalism gone bad due to greed but greed is a personal vice, and not characteristic of the majority of landlords in the city of Concord who operate their rentals professionally and ethically with modest annual increases once a year to keep pace with the rising cost of property tax increases, insurance rates, and cost of labor and materials for routine maintenance.

A recent article in the San Francisco Chronicle highlighted discussed the pitfalls of rent control citing 80% of economists agree rent control measures are bad policy and do little to improve affordable housing. While well intentioned, rent control benefits the moderate – high income families especially whites, while displacing lower income minorities and elderly. It creates disincentive for investors to buy within those communities flattening home prices leading to reduced revenue in property tax, and creates an environment where landlords are unwilling to provide upkeep of rental properties leading to decline in neighborhood preservation. Examples of this can be seen in the neighborhoods surrounding Berkeley, Oakland, Alameda with dilapidated rentals. These are not neighborhoods any of us would choose to live!

In closing, rent control is not only ineffective policy economically speaking but Un-American in principle as well. In reality it is a form of subsidized housing by shifting assistance for cost of living for the low income from the state to the backs of the private citizen who rent to them. Rent control forces the property owner to not only shoulder the rising cost of doing business but to provide subsidized housing regardless of the current market price. While I am deeply sympathetic to the families in the Monument corridor, or the elderly woman who spoke at the meeting on Monday evening, it is not my responsibility to ensure these individuals have affordable housing. Rather it is the role of the federal government to provide financial assistance to these individuals and not the private citizen who happens to rent their dwelling. That is why Sec. 8 exists and should be expanded if census data demonstrates a need.

My responsibility begins and ends with providing a clean, safe environment for families to live at an affordable price which is in line with the normal economic forces of supply and demand. I hope the council will consider this before making any sweeping changes which affect small business owners.

Thank you for consideration,

Blaine R. Carter
3130 McKean Drive
Concord CA 94518
(925) 963-6168

Cc: Laura Hoffmeister
Edi E. Birson
Dr. Ron Leone
Tim McGallian
Daniel Helix

Nakamura, Mary

From: Angad Bhalla <angad@workingeastbay.org>
Sent: Thursday, October 06, 2016 4:25 PM
To: Concord City Council; ed@edbirsan.com
Cc: Kristi Laughlin
Subject: Attention: Councilmember Edi E. Birsan

Dear Councilmember Birsan,

The Raise The Roof coalition would like to set up a time to meet and chat with you about the ongoing rental housing crisis in Concord. While many members of our have been present and testified at various city council sessions, we would very much appreciate time to sit down and chat with you about how best to address this crisis of escalating rents together.

The Raise The Roof coalition members include Alliance of Californians for Community Empowerment, California Nurses Association, the Contra Costa Labor Council, the East Bay Alliance for a Sustainable Economy, East Bay Housing Organizations, The Ensuring Opportunity Campaign, The Faith Alliance for a Moral Economy, Monument Impact, Multi-Faith ACTION Coalition, SEIU-USWW, Tenants Together, UFCW International, and UNITE-HERE 2850.

We strongly feel that the rental housing crisis affects all of Concord and look forward to meeting to discuss solving it together. Thanks in advance for your support on this effort and please let us know some availability you might have over the next few weeks.

Sincerely,

Angad

--

Angad Singh Bhalla
Organizer
EBASE & Faith Alliance for a Moral Economy
[\(646\) 637-5609](tel:(646)637-5609)



TENANTS TOGETHER

California's Statewide Organization for Renters' Rights

474 Valencia Street Suite 156 San Francisco CA 94103

Phone: (415) 495-8100

Fax: (415) 495-8105

Email: info@tenants-together.org

Website: www.tenants-together.org

Concord City Council
1950 Parkside Drive
Concord, CA 94519

October 11, 2016

*cc Mayor
Council
cm
Victoria Welles
Laura Simpson
John Monteglo*

RE: **Urgent request for a temporary moratorium on rent increases and unfair evictions**

Dear Mayor Hoffmeister, Vice-Mayor Leone, and Councilmembers Birsan, Grayson, and Helix:

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- young people, many of them raised in Concord, find it impossible to make the City home for themselves and their families. The diminishing number of young families living here casts a cloud over our City's future.

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Mindful of the hardship our neighbors are suffering and prompted by our values to speak up for a City that serves all its residents, we at **Tenants Together** have become part of a coalition of faith, labor and community groups working to ensure that the housing needs of all income groups are met in Concord. You have heard us urge the Council and its committees to take immediate and decisive action to implement affordable housing policies in our city, including housing for the homeless and protections for poor tenants in our city. We have been seeking:

- An end to unaffordable and unreasonable rent increases;
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We are therefore asking for two simple steps to be taken immediately:

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These moratoriums should be temporary - they should remain in place only until such time as fair, permanent ordinances can be developed and implemented. Permanent ordinances should ensure that Concord housing policies balance the interests of ALL Concord residents, and that the city's existing policies and objectives regarding housing affordability are met.

We are happy to work cooperatively with city staff and the council and its committees to develop specific language for these moratoriums. We look forward to joining you in that effort.

Signed,



Aimee Inglis
Acting Director

From: monumentdems@aol.com
Date: October 19, 2016 2:26:26 PM PDT
To: monumentdems@aol.com
Subject: Rent Hikes Speakers????

There will be another meeting of the Concord Housing and Economic Development Committee to address rent stabilization and tenant protections from unjust evictions:

**Monday, October 24
5:30 p.m.
Concord Senior Center
2727 Parkside Circle, Concord**

This Committee will decide if a recommendation for a rent stabilization ordinance is to go to the full Concord City Council. Let's not let this subject die with this Committee. We need speakers to tell their Concord rental hike stories at this meeting.

Many of the speakers who have spoken before this Committee on this subject, including me, will be back. But what can be more impressive are the speakers who are there for the first time. Your stories can be of great interest to the Committee.

- * Are you in fear of being priced out of Concord?**
- * Can you tell the Council of your history of unjust rent hikes?**
- * Are you one of those who have had a single rent hike of \$300 or more in a single year?**
- * Do you somehow want to stay in Concord? Are rent hikes squeezing your ability to pay for other than rent? Are you on a fixed income because your hourly wage is not increasing?**

Please come to the meeting on Monday, especially if you have a rent hike story to tell the Committee. George Fulmore

Nakamura, Mary

From: Barone, Valerie
Sent: Thursday, October 20, 2016 9:00 AM
To: Griffin, Sue Anne; Nakamura, Mary; Montagh, John; Simpson, Laura; Walker, Victoria
Subject: Fulmore E-mail Related to Monday's HED Committee Meeting

This e-mail is being shared with all Councilmembers

FYI: See George Fulmore's e-mail below

Valerie Barone, City Manager

City of Concord | Website: www.cityofconcord.org

☎ (925) 671-3150 | ✉ valerie.barone@cityofconcord.org

1950 Parkside Drive, MS/01, Concord, CA 94519

From: monumentdems@aol.com
Date: October 19, 2016 2:26:26 PM PDT
To: monumentdems@aol.com
Subject: Rent Hikes Speakers????

There will be another meeting of the Concord Housing and Economic Development Committee to address rent stabilization and tenant protections from unjust evictions:

**Monday, October 24
5:30 p.m.
Concord Senior Center
2727 Parkside Circle, Concord**

This Committee will decide if a recommendation for a rent stabilization ordinance is to go to the full Concord City Council. Let's not let this subject die with this Committee. We need speakers to tell their Concord rental hike stories at this meeting.

Many of the speakers who have spoken before this Committee on this subject, including me, will be back. But what can be more impressive are the speakers who are there for the first time. Your stories can be of great interest to the Committee.

- * Are you in fear of being priced out of Concord?**
- * Can you tell the Council of your history of unjust rent hikes?**
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*** Do you somehow want to stay in Concord? Are rent hikes squeezing your ability to pay for other than rent? Are you on a fixed income because your hourly wage is not increasing?**

Please come to the meeting on Monday, especially if you have a rent hike story to tell the Committee. George Fulmore

Nakamura, Mary

From: Barone, Valerie
Sent: Monday, October 24, 2016 12:29 PM
To: Simpson, Laura; Montagh, John; Walker, Victoria
Cc: Nakamura, Mary; Griffin, Sue Anne
Subject: FW: Letter calling for an immediate moratorium on rental increases in Concord
Attachments: MoratoriumlettertoConcordCityCouncilOct24.pdf

FYI

Also, on KQED this morning I heard about tomorrow's rent control meeting. It was discussed in terms of the proposed "hotline" for renters to register their rent increases AND as a discussion of a moratorium on rent increases over a certain percentage.

Valerie

Valerie Barone, City Manager

City of Concord | Website: www.cityofconcord.org
☎ (925) 671-3150 | ✉ valerie_barone@cityofconcord.org
1950 Parkside Drive, MS/01, Concord, CA 94519

From: Concord City Council
Sent: Monday, October 24, 2016 11:56 AM
Subject: FW: Letter calling for an immediate moratorium on rental increases in Concord

This email is being forwarded to all Councilmembers.

From: Angad Bhalla [<mailto:angad@workingeastbay.org>]
Sent: Monday, October 24, 2016 11:33 AM
To: economic.development@cityofconcord.org; Dan Helix; Leone, Ron
Cc: ed@edbirsan.com; Concord City Council; Hoffmeister, Laura; info@graysonforassembly.com; Planning; Kristi Laughlin
Subject: Letter calling for an immediate moratorium on rental increases in Concord

Dear Manager Montagh and Councilmembers Helix and Leone,

Please find the attached letter signed by 26 faith, community, and labor groups in the Concord area calling for an immediate moratorium on rent increases above 3 percent and evictions for unjust reasons.

In order to relieve the immediate suffering of our neighbors, as the council continues important deliberations on these matters, we ask that these moratoriums remain in place only until such time as fair, permanent ordinances can be developed and implemented. We hope that this letter can be included in the materials for tonight's meeting.

Thanks once again for your considerations of those most burdened with unjust rent increases in this critical time.

Sincerely,
Angad Singh Bhalla

--

Angad Singh Bhalla
Organizer
EBASE & Faith Alliance for a Moral Economy
(646) 637-5609

Nakamura, Mary

From: peter.duncan@juno.com
Sent: Tuesday, November 29, 2016 2:38 PM
To: Concord City Council
Subject: PLEASE STAY AWAY FROM RENT CONTROL

November 29, 2016

Concord City Council

Ms. Mayor and Council:

For the rent control meeting tonight in City Council Chambers

RE PLEASE STAY AWAY FROM RENT CONTROL

We own property in the City of Concord, and we think that rent control is a bad idea for everyone but a lucky few because:

The opportunities for abuse are too great.

When an imbalance exists between the value of a thing and the price, it is an incitement to fraud. When the imbalance becomes too great, owners have been known to walk away.

An entitlement once created is almost impossible to remove.

Witness the “temporary” free parking at the Pleasant Hill BART station on the Iron Horse. This had to be replaced with permanent parking at a cost to the public of about \$25,000,000. The people who had become accustomed to free parking easily got up a 2,000 signature petition. Once voted in, you will not be able to vote rent control out anytime this century.

It is unjust to expect landlords to provide a cheap leg of the three essentials of food, clothing and shelter without requiring the sellers of food and the sellers of clothing to keep their prices below market, too.

Thanks for your consideration

Peter and Judith Duncan
112 Roble Road
Walnut Creek CA 94597

Tel : (925) 932- 2011

Nakamura, Mary

From: rhooy@hooy.com
Sent: Tuesday, November 29, 2016 4:54 PM
To: Concord City Council
Subject: Rent and eviction freeze

Councilperson,

As a life-long resident of Concord and a Concord business owner and landlord I urge you to reject a moratorium on rent increases and evictions. Both are forms of rent control and both are bad for Concord's affordable housing stock. Without repeating many of the reasons you have already heard, I share a few of my thoughts below.

A rent freeze limited to the rate of inflation unfairly benefits tenants who already enjoy below market rate rents. These tenants benefit at the expense of landlords who kept rents low to avoid vacancies and perspective tenants looking for an available unit. Rent increases also afford landlords a valuable tool to improve their properties and encourage troublesome tenants to leave. Further and on balance "gentrification" benefits rather than detracts from the specific housing community and Concord in general.

While most tenants are good rent-paying, law abiding people, some are not and their presence in a complex make life miserable for other tenants and the landlord. As a blanket policy freezing all evictions prevents landlords from removing bad tenants from the landlord's property. Concord has some challenging rental areas that need help rather than more impediments to removing criminal elements like drug dealers and gang members and those who refuse or cannot pay for their housing.

Establishing a hotline may be helpful, but should require follow-up with the landlord too to avoid one-sided results.

I urge you not to impose a rent increase or eviction moratorium.

Yours very truly,

Robert Hooy
1867 Jefferson Street
Concord, Ca 94521
(925) 680-1373

Nakamura, Mary

From: chriscallahan <chriscallahan@astound.net>
Sent: Tuesday, November 29, 2016 5:23 PM
To: Concord City Council
Subject: Rent control

Dear City Council,

I am against all forms of rent control and I respectfully urge you to vote against it.

Sincerely,
Christine Callahan

Affordable housing project breaks ground



Ground-breaking for the Riviera Family Apartments building at 1515 Riviera took place Nov. 4; construction on the second building, at 1738 Riviera, is already under way. Below, an artist's rendering of 1515 Riviera.



North Downtown Specific Plan seeks community ideas, input

Creation of a Specific Plan for the North

North Downtown Specific Plan area

esd

Construction is under way on Riviera Family Apartments. The 58 affordable units on two lots in the Golden Triangle will serve households that earn 30 to 60 percent of Area Median Income. The complex will include studios, 1-, 2- and 3-bedroom apartments, secure rooftop play areas, community rooms, computer rooms for residents, and laundry rooms.

The project is being paid for through a variety of public and private financing sources, including nearly \$6 million in affordable housing fees collected by the City of Walnut Creek from developers of market-rate housing.

In addition, Riviera Family Apartments is the first affordable housing project in Contra Costa County to receive cap-and-trade funding from the State in recognition of its "green" qualities, such as proximity to public transportation. Residents will be given free bus passes for the first three years through the CoCo Pass program.

Former Mayor Hazard to be honored at Hospice Tree of Lights

Former Mayor Jim Hazard, who passed away in August, will be honored at this year's Annual Tree of Lights ceremony for Hospice of the East Bay. Hazard served as mayor in 1981-82.

The Tree of Lights dedication is set for Wednesday, Dec. 7 at 5 p.m. at John Muir Medical Center (front entrance). For information or to dedicate a light, visit www.hospiceeastbay.org.

Holiday Trolley hours

Thanks to additional funding provided by the City, the Free Ride Trolley offers extended evening hours from the day after Thanksgiving through New Year's Eve.



The all-electric trolley (also known as County Connection Route 4) will be available until 10 p.m. Nov. 25 through Dec. 16, and again Dec. 26 - 31. From Dec. 12 through Dec. 23, trolley hours extend until 11 p.m. (Note: extended hours are not offered on Sundays; the last trolley

This article is from the City of Walnut Creek's newsletter. Councilmember Birsan asked that it be shared with the other Councilmembers.



RECEIVED

DEC 05 2016

CITY MGR'S. OFFICE

Arthur Weil

208 Pala Ave.

Piedmont, CA 94611

Phone: (510)654-5626

Arweil444@aol.com

www.poetrypearls.com

11/23/2016

City of Concord
1950 Parkside Drive, MS/01
Concord, CA 94519

November 23, 2016

Dear Mayor and Councilmember:

AVOID RENT STABILIZATION AT ALL COSTS!

Find a solution in mediation...

Rent control in the long run has not worked, even in New York since 1950 - it was a calamity, with clever owners circumventing the laws, expensive buy-outs and loss to the very tenants whom we are trying to protect. Similarly, in Oakland over the last 37 years, the result has been poor minorities have been supplanted by more qualified tenants. Both SF and Berkeley are now the whitest cities in the area.

Most of all the housing stock has become older, neglected, whereas millions in revenues and taxes in the cities have been lost.

I recommend mediation of new construction and understanding of the business of owning/risking a property which uses great effort to keep a healthy housing stock.

It would be beneficial to have an office of mediation as they do in San Leandro to restrain the excessive rent increases but not an expensive bureaucracy which will last forever.

It is happening in Oakland, don't let it happen here!

Due to lack of adequate new and affordable housing, Oakland has been in crisis since 1978. Can you imagine, for 37 years that City was one of the few with restrictive real estate laws that stabilize rents. Instead, owners, even of the small income properties, have become lackeys, with the City Council constantly allowing increases way below the value of the open market. In short, we now have a dysfunctional rental situation. *For example: at one of my 12-unit buildings near the Piedmont Theater, 9 of the rents run between \$1,209 - \$1,850, all different rents, whereas the market calls for \$2,400 for a 2BD.*

The irony is that several highly-salaried tenants of mine have substantially increased earnings since they moved in, and seem to be using me as the welfare department. There is no incentive for anyone to move. Thus, the City's rental stock has become older, neglected and is really due for an overhaul. *The City is losing license taxes and rent income tax.* In addition, income properties sold at high premium, the new owners then spend \$10,000, \$20,000 + per unit to move tenants out, which I believe is a racket, and benefits only a few. *It was not the intent of the original law.*

- 1) After 37 years, the whole rent arbitration laws should be restudied, revised and streamlined.
- 2) There should be equal input by owners and tenants to arrive at a good compromise as a solution. We should strive for a fairer, more equitable law.
- 3) Incentive should be given for upgrading properties and not just the 70% pass-through in improvements, but 100%.
- 4) The difference between tenant rents now and market value rents should be phased upwards at least **8% or 10% per year, (not 2% to 5%)** up to 75% of the area's average. (My tenants are paying half rent. They are nurses, lawyers, etc.)
- 5) Building permits to improve these older properties should be more streamlined with incentives NOT disincentives to improve.
- 6) We should consider the owner's risk in the free market and his/her tremendous time to upkeep the property timely, unlike federal housing where units stay empty for months. How much? When? Justify!
- 7) We may create incentives for tenants to move to better quarters to make room for greater choice for all new tenants. A means test such as New York has would be of big help!
- 8) The biggest problem is that those who decide regulations have no comprehension of the effort, time, emotion and energy it takes to own and manage real estate. That is why the communist system has not worked. There has to be reward and incentive. You have taken the guts out of housing by creating artificial values. Instead statistics have shown that the free market produces far more positive results despite government laws to curb excesses.

In short we should completely revise and simplify the law; statistical studies show it would promote better and fairer housing for all. We might study other cities such as San Jose, New York, etc. – example if a family makes over \$200,000 for over 2 years, rent control on their apartment will go to market rate. (MEANS TEST).

Housing stock is getting older, more rundown because rent increases are too low. It should be 8% instead of 2%; this doesn't even begin to cover today's costs of repairs, utilities, taxes, bookkeeping and fees. Example – we have a local tenant who has not paid her rent in several months. The legal cost and 2.5 month loss of rent and re-renting for \$1300 apartment will be a loss of over \$5000.

More than that, there is a lot of time and effort including negotiation and physically having to attend the trial. It's time consuming and costly.

If we are to keep a relatively fair and free society we need to study and streamline. The uneven existing program in Oakland is truly detrimental to the poor, to city coffers, to tenants and owners. In a sense now, if an apartment is vacant, naturally the owner will not only get higher rents but will have choice for the best tenant applicants, which means few applicants, so that applicants with lower qualifications will stand a chance. In a free open market, we owners used to take chances with borderline candidates/lower qualifications.

Let me remind you that, in 1969-70, when I just purchased my first larger building, the government decreed not only rent control but also price control and wage control, which certainly is much fairer than anything we have today.

The problem is, nobody has made an in-depth statistical study of the damage that our city's 37 year old law has caused, and the tens of thousands of dollars being lost to the City's income.

We should avoid rent stabilization – only as a last resort, but review it on a year-to-year basis, and not every 37 years as in Oakland, or 80+ years as in New York.

The answer is new housing stock and upgrading old apartments (including subsidized apartments).

Arthur Weil

Owner of 11 Concord units

(510) 654-5626

I am strictly Liberal,

*However the extension and restrictions
are unreal, unfair and unjust.*

*It's the weakest, poorest who get
hurt the most. Sure property values
and rent is way up for some
courtesy buy-out, and the interaction
time & money between tenant & owner
are ~~to~~ dissuade & costly.*

Arthur Weil

Arthur Weil

Nakamura, Mary

From: hfvaile@comcast.net
Sent: Wednesday, November 30, 2016 4:22 AM
To: Concord City Council
Subject: My rent increases

Hello City Council members,

Since you are addressing this issue I wanted to let you know of my rent increases. My rent increased \$50 per month on December 1, 2015. It increased again by \$450 per month on February 1, 2016. I received notice that it will increase another \$300 on February 1, 2017. I have lived here for 6 years and my rent will have increased from \$1150 per month to \$1950 per month over a one year and two month period.

I am 69 years old and have suffered a stroke 7 years ago. I also had esophageal cancer and had my esophagus removed 5 years ago. This rent increase puts a tremendous burden on my finances, and I am afraid I will not be able to afford to meet my rent nor afford to be able to move.

This is what is happening in the City of Concord.

Thank you,

Harry Vaile
1851 Harrison St. Apt. 17
Concord, Ca. 94520
925-349-6611

Forwarded

Nakamura, Mary

From: Concord City Council
Sent: Wednesday, November 30, 2016 3:48 PM
To: Fockler, Joelle; Montagh, John
Subject: FW: rent control

From: Shar Kavossi [<mailto:skavossi@aol.com>]
Sent: Wednesday, November 30, 2016 2:01 PM
To: Concord City Council
Subject: rent control

Hello
My name is Shar kavossi and I am the owner of two rental property which is all my income and with all the increase in cost, material, Hoa Fees , property tax and ETC. I cant afford to take care of my business and my livelihood ,This is all my income . I am completely Against the rent control in concord.Since compare to walnut creek, Pleasant hill and other area ,our rent is very low .
Please dont take my income since ,It will hurt me so much , I am already trying hard to not get any GOVT help, so dont make me to do that
Thank you

Shar Kavossi

forwarded

Nakamura, Mary

From: CHERYL BRADSHAW <cbradshaw773@comcast.net>
Sent: Thursday, December 01, 2016 2:17 PM
To: Concord City Council
Subject: City council meeting on 11/29

Hello Mayor Hoffmeister, Mr. Leone and council members,

This letter is in reference to the meeting on rent control and potential inspection fees, impacting those who own rental property. I own a one bedroom condo in Concord and have not raised the rent, in over a year and sometimes wait 2 years before raising the rent. Rent raises on my condo are generally \$25.00 to \$50.00.

As an owner of a rental and a renter, I understand both perspectives, as rents have risen significantly in the last few years. Owning a rental has not brought me much income, as I have had renters who have given no notice before vacating, defaced my property and left it filthy. Condos have HOA dues and assessments to cover outside repairs. I have paid assessments in addition to the HOA dues, so often operate at a loss.

There must be a compromise which makes it easier for both rental owners and renters. I live in Petaluma and have 2 businesses in Marin; rents tend to be much higher in the later areas.

I was not informed of the meeting until the night prior to it, so was unable to make it, due to my work schedule. I would appreciate being informed of the outcome of the meeting.

Thank you,
Cheryl Bradshaw
Sent from my iPhone

