From: Sandy Adams [mailto:]
Sent: Saturday, March 19, 2016 10:18 AM
To: The Office of Mayor Sam Liccardo; Herrera, Rose; Jones, Chappie; City Clerk; Khamis, Johnny; Carrasco, Magdalena; Kalra, Ash; Rocha, Donald; Oliverio, Pierluigi; Peralez, Raul; Nguyen, Tam; District4; Matthews, Margie
Cc: Sandy Adams; John Adams
Subject: Opposition to ARO Recommendations

Dear Mayor, Vice Mayor and Council Members,

Attached are 23 letters from rental owners and managers opposing the recommendations made by the Housing Department to the existing rent control ordinance.
Please consider our concerns.

Respectfully,

Sandy Adams

ARO Oppose Changes.pdf

--
Sandy Adams
President
Rental Housing Network

95011

www.rentalhousingnetwork.com

Dear Mayor and Councilmembers:

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I oppose:

- Lowering the current 8% cap – Two previous San Jose City Councils and a task force (tenants and owners) have addressed this issue in the past and each time they agreed that 8% is a fair increase.
- Linking the allowable increase to any index -Tenants and owners need stability and the ability to plan ahead. A flat amount does not require staff to provide annual notices and outreach.
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I support:

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Name: ANTHONY L. ESTACIO

Address:

City & Zip Code: SANTA CLARA, CA. 95054

Comment: PROPERTY OWNER

Mayor Sam Liccardomayoremail@sanjoseca.gov
Vice Mayor Rose Herrera rose.herrera@sanjoseca.gov
Councilmember Chappie Jones chappie.jones@sanjoseca.gov
Councilmember Johnny Khamisjohnny.khamis@sanjoseca.gov
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Name: Dave Kraszewski

Address:

City & Zip Code: San Jose, CA 95112

Comment: Economics 101 will tell you when you reduce the incentive to provide housing because you are decreasing the profitability, the total amount of housing available will DECREASE – the opposite of the goal of providing affordable housing! – No rent control –

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Name: JEFF [illegible]

Address: [illegible]

City & Zip Code: SAN JOSE, 95125

Comment: FIRE JACKY! 100% TENANT BIASED

NOT IMPARTIAL AT ALL.

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Name: BRIAN Folden

Address: [illegible]

City & Zip Code: S.J. CA 95123

Comment:

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Name: Melissa Riquero

Address:

City & Zip Code: San Jose, CA 95120

Comment:

Lowering the 8% cap will not help the people who need more affordable housing.

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Name: Lisa Goodman / Silver Creek Valley Prop.

Address:

City & Zip Code: San Jose, CA 95138

Comment:

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Name: Christopher Cassitor

Address: [illegible]

City & Zip Code: SAN JOSE 95129

Comment:

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Name: Joshua Santiago

Address:

City & Zip Code: San Jose, CA 95132

Comment: I oppose this, using the public to fund yet another government Agency in an already overtaxed region, I.E. California / Silicon Valley, will further the gap between low income + high income by driving out the middle class. This is what lead to the down fall of many great societies.

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Name: Clay Sellaud

Address:

City & Zip Code: Danville CA 94526

Comment:

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Vice Mayor Rose Herrera rose.herrera@sanjoseca.gov
Councilmember Chappie Jones chappie.jones@sanjoseca.gov
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Name: Robert Reid Broker Realtor

Address:

City & Zip Code: SJ San Jose CA 95124

Comment: LET THE MARKET DECIDE RENT RATES NOT YOU OR OTHERS

FAIR MARKET

NO NEW LAWS

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BUS. CARD

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Name: Brad Abbott

Address:

City & Zip Code: Saratoga, CA 95070

Comment:

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Name: Rose Togami

Address:

City & Zip Code: San Jose, CA 95120

Comment: Do Not appreciate Changing the rate that we can increase rents per year. We need at least 8% per year or more!!

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Name: Ann Yap

Address:

City & Zip Code: SAN JOSE, CA 95111

Comment:

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Name: Richard K. Abdalah

Address:

City & Zip Code: San Jose, Ca

Comment:
The current rent control ordinance won't increase the housing inventory. — Rents will go down when the housing supply is adequate.

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Name: Fran Turato

Address:

City & Zip Code: San Jose 95159

Comment:

Do Not chg the existing ordinance. It works the way it is

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Name: Duane Gifford

Address:

City & Zip Code: Saratoga, CA 95070

Comment: Please do not approve this rent control proposal

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Name: Chris Fernandez

Address:

City & Zip Code: SAN JOSE, CA 95124-1241

Comment:

Mayor Sam Liccardomayoremail@sanjoseca.gov
Vice Mayor Rose Herrera rose.herrera@sanjoseca.gov
Councilmember Chappie Jones chappie.jones@sanjoseca.gov
Councilmember Johnny Khamisjohnny.khamis@sanjoseca.gov
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Coucilmember Manh Nguyen district4@sanjoseca.gov

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Name: Myrna Fernandez

Address:

City & Zip Code: San Jose, CA 95124-1241

Comment:

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Name: Rowena Asai

Address:

City & Zip Code: San Jose, CA 95124

Comment:

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Name: Steve Daniels

Address:

City & Zip Code: San Jose Ca

Comment:

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Name: Siva Upplapati

Address:

City & Zip Code: San Jose, CA 95129

Comment: Please encourage more new housing.

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Vice Mayor Rose Herrera rose.herrera@sanjoseca.gov
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Name: R Pennington

Address:

City & Zip Code: Campbell CA 95009-0629

Comment: "Just Compensation" has been defined by supreme court in U.S. v. Cartwright as what ever 2 people Agree to trade or sell at. Over reaching = "Taking" control of my property & Time

Mayor Sam Liccardomayoremail@sanjoseca.gov
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Currently there are no victims only

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Name: DENNIS PEREZ

Address:

City & Zip Code: SANTA CLARA, CA 95051

Comment:

I AM A PROPERTY OWNER, REAL ESTATE INVESTMENT BROKER AND DO BUSINESS IN SAN JOSE

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Coucilmember Manh Nguyen district4@sanjoseca.gov

From: Jennifer Liu [mailto]
Sent: Thursday, March 17, 2016 11:44 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Against Tightening Rent Control

Dear San Jose City Clerk,

I'm a small landlord, and I'm very concerned about the proposal to tighten the rent control and associate it with the CPI.

Currently the CPI is only about 2.5%. However this doesn't reflect the increase of expenses for us landlords. According to statistics, the residential construction costs has increased more than 20% for the past two years, and water bills also increased significantly and much more than 2.5%. It doesn't make sense to force us to cap the rent increase to 2.5%.

I'm shocked to learn that the city of San Jose needs to increase the Housing Dept staffing from 1.5 people to 15-30 people. That's an increase of 10-20 folds, which is outrageous. It's an abuse of us tax payers money. Please use this money to help those tenants who really need help.

Thank you very much!

Jennifer,

From: Barbara Kuang < t>
Sent: Thursday, March 17, 2016 8:34 PM
To: Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; Fedor, Denelle; City Clerk
Cc: Grabowski, Ann
Subject: FW: say "NO" to annual allowable rent increase on CPI-U

Dear Honorable Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, also there are lots of not normal operating maintenance expenses, such as roof, plumbing, asbestos removal, etc., and Capital Improvements/Debt Service, and older building need major investments, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners canNOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:
8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cashflow.
During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer

from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the
capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Barbara Kuang

From: Li Xia < >
Sent: Friday, March 18, 2016 1:34 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; Fedor, Denelle; City Clerk; Grabowski, Ann
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Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, also there are lots of not normal operating maintenance expenses, such as roof, plumbing, asbesto removal, etc., and Capital Improvements/Debt Service, and older building need major investments, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners canNOT! The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase. Higher allowable rent increase is necessary for the following reasons:

8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc. Without this insurance, small landlords would easily suffer negative cashflow. During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase. Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection. As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too low CPI. However, MNOI is too

complicated for small landlords and there is no guarantee that the calculation would be approved by the City. Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness. The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure ! Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families. It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Li Xia

From: Ray Shih [mailto::]
Sent: Saturday, March 19, 2016 4:29 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk; District 10; Fedor, Denelle
Cc: Grabowski, Ann
Subject: Oppose Annual Allowable Rent Increase on CPI-U in San Jose

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, also there are lots of not normal operating maintenance expenses, such as roof, plumbing, asbesto removal, etc., and Capital Improvements/Debt Service, and older building need major investments, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners can NOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:

8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cashflow.

During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the

capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Shih Family

From: Evelyn Chen [mailto]
Sent: Tuesday, March 22, 2016 2:11 PM
To: The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Jones, Chappie <Chappie.Jones@sanjoseca.gov>; Kalra, Ash <ash.kalra@sanjoseca.gov>; Peralez, Raul <Raul.Peralez@sanjoseca.gov>; Carrasco, Magdalena <Magdalena.Carrasco@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; Carrasco, Magdalena <Magdalena.Carrasco@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; Nguyen, Tam <Tam.Nguyen@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; Rocha, Donald <Donald.Rocha@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; Fedor, Denelle <Denelle.Fedor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>
Subject: "NO" annue on CPI-U. Say NO to rent control and say "NO" to Just Cause Eviction!!!

Dear Honorable Mayor & Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually. While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, also there are lots of not normal operating maintenance expenses, such as roof, plumbing, asbesto removal, etc., and Capital Improvements/Debt Service, and older building need major investments, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners can NOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:
8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cashflow.
During economic downturns, Landlords cannot increase rent and may even lower the rent, with

no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Evelyn Chen

From: Greesan Gurumurthy [mailto]
Sent: Wednesday, March 23, 2016 5:51 PM
To: City Clerk
Subject: Against to ARO recommendation

Dear Mayor and Council members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Greesan

From: Gary Lee [mailto]
Sent: Wednesday, March 23, 2016 7:42 PM
To: City Clerk
Subject: ARO

Dear Mayor and Council Members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). I have put tens of thousand of dollars into my property in the past few years. In addition to adding a maintenance person, we have undertaken an effort to rejuvenate our 60 year old property. As tenants voluntarily move out, we are gutting the interiors, and replacing the old apartments with new cabinets, granite countertops, new bath tubs replacing the peach and blue ones, and upgrading the appliances. Our total cost is over $10,000 per unit. Our rents are increasing by about $200 above units that are not remodeled. This is not an accepted return on short term investment, but will greatly extend the life of the apartment. Our fully remodeled, new units, rent for $1850. If more than one unit vacates, we don't have the manpower to extend this program to multiple units in a given month, and the units rent for $1675.

The CPI rent raises and restrictive capital improvement pass through will stop this program as described in the proposed San Jose rental control update as written. We read about unfair rent raises as high as $500-$800 monthly. San Jose's present rent control limits our rent raises to 8% annually, or $120 on a $1500 unit. Over the past 16 years, we have lowered rents in 5 years due to economic realities. Our average rent raise over that period is 3.2% annual. If a 2% raise due to CPI goes through, we won't be able to keep up with increased costs in taxes, insurance, utilities, and City fee increases.

This proposal does nothing to increase affordable new housing. Even San Francisco, who probably have the most restrictive housing laws that the Housing Department appear to be following, have put forth some effort to ease the problem by creating new affordable units. More regulation doesn't solve the problem, it only will cause upgrades for run down units to cease. This proposal also doesn't neccessarily help those who need affordable housing, it only creates a position to help people who are already in rent controlled units. We have tenants who easily could afford higher rents within our property. Is it your intention to help those in need, or hurt those who have worked hard to obtain a rental property with this restrictive ordinance?

We presently don't have air conditioning in our apartments. We have plans to add solar powered air conditioning, but if this proposal goes through, these plans will be scraped. Is it your intention to provide higher quality units, or create slum conditions like San Francisco and Berkeley have due to unreasonable rent control? Is it your intention to hire 30 more inspectors instead of more policeman? Please place the tax dollars we pay to more useful functions than additional paper pushers.

Sincerely,

Gary Lee

Green Villa Apartments

From: Virginia Hao [mailto:( ]
Sent: Wednesday, March 23, 2016 9:54 PM
To: City Clerk
Subject: Fwd: ****NO RENT CNTL SYMBOL****

Send from my IPad:

From: fran turano [mailto:]
Sent: Wednesday, March 23, 2016 5:42 PM
To: City Clerk
Subject: Oppose Changes to the ARO

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Fran Turano

From: Gurumurthy Srinivasagam [mailto:g]
Sent: Wednesday, March 23, 2016 6:33 PM
To: City Clerk
Subject: Oppose to stricter regulations on the rental housing industry

Dear City Clerk & City Council Members:

As a San Jose rental property owner, I urge you to oppose stricter regulations on the rental housing industry as these proposals will not create more affordable housing opportunities. In fact, these regulations would jeopardize safe, quality housing for our residents.

I am a responsible landlord and follow the rules of the law. It is my hope that you will determine as I have that we don't need punitive rent control regulations or an eviction-for-cause ordinance.

Punitive rent control measures lead to troubling consequences. There is an increase in the deterioration and under-maintenance of rent controlled rental units as owners reduce or eventually abandon upkeep, creating more dangerous neighborhoods where rental housing is clustered.

I know it is illegal to evict tenants in order to raise rent. If there are landlords who are skirting the rent control laws, then the city should punish them. Do not punish me by taking away my ability to provide my good residents a safe community. Let's continue to preserve strong San Jose neighborhoods and protect good tenants by allowing owners and managers to effectively manage their properties.

No one can deny that we do not have enough housing to meet demand. The only way we can address housing affordability is to make more housing available and support the construction of more housing for families of all income levels. Stricter regulations won't solve our problems.

I urge you to focus on meaningful solutions that will keep our economy strong, our communities safe, and provide quality housing opportunities for all residents.

Sincerely,

Gurumurthy Srinivasagam
Apartments

From: Gurumurthy Srinivasagam < >
To: "cityclerk@sanjoseca.gov" <cityclerk@sanjoseca.gov>

Sent: Friday, June 12, 2015 7:11 PM
Subject: Oppose to stricter regulations on the rental housing industry

Dear City Clerk & City Council Members:

As a San Jose rental property owner, I urge you to oppose stricter regulations on the rental housing industry as these proposals will not create more affordable housing opportunities. In fact, these regulations would jeopardize safe, quality housing for our residents.

I am a responsible landlord and follow the rules of the law. It is my hope that you will determine as I have that we don't need punitive rent control regulations or an eviction-for-cause ordinance.

Punitive rent control measures lead to troubling consequences. There is an increase in the deterioration and under-maintenance of rent controlled rental units as owners reduce or eventually abandon upkeep, creating more dangerous neighborhoods where rental housing is clustered.

I know it is illegal to evict tenants in order to raise rent. If there are landlords who are skirting the rent control laws, then the city should punish them. Do not punish me by taking away my ability to provide my good residents a safe community. Let's continue to preserve strong San Jose neighborhoods and protect good tenants by allowing owners and managers to effectively manage their properties.

No one can deny that we do not have enough housing to meet demand. The only way we can address housing affordability is to make more housing available and support the construction of more housing for families of all income levels. Stricter regulations won't solve our problems.

I urge you to focus on meaningful solutions that will keep our economy strong, our communities safe, and provide quality housing opportunities for all residents.

Sincerely,

Gurumurthy Srinivasagam
Apartments

From: Gurumurthy Srinivasagam [mailto:g]
Sent: Wednesday, March 23, 2016 5:48 PM
To: City Clerk
Subject: Opposition to ARO recommendation & changes

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Gurumurthy Srinivasagam

From: Carlos Padilla [mailto:( ]
Sent: Wednesday, March 23, 2016 9:14 PM
To: City Clerk
Subject: Please do not change the Apartment Rent Ordinance (ARO)

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants. These recommendations will likely create a far lower turnover similar to what we see in San Francisco and reduce the available housing to lower income people.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely and concern property owner,

Carlos Padilla

Carlos Padilla | The Padilla Real Estate Group

Intero Real Estate Services - Los Altos

Realtor | Top 1% of Realtors | Intero Chairmans Circle | Top Buyers Agent 2009 – 2014

"Excellent Service; Earning Clients for Life"

Direct **6** | Cell **0**

Web | Facebook | LinkedIn | Yelp

License # 01342889

From: Manay4Rrent [mailto]
Sent: Wednesday, March 23, 2016 10:11 PM
To: City Clerk
Subject: Proposed Rent Ordinance

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. My buildings are all over 45 years of age and require maintenance, but my ownership has only been for the past couple of years. These buildings are significantly below market rents making my net return close to zero. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Arun Iyengar

From: Karen Johnson [mailto t]
Sent: Wednesday, March 23, 2016 6:07 PM
To: City Clerk
Subject: Rent control modifications - Opposed

Honorable Mayor and City Council,

I see from the staff report that few if any building owners have requested capital gain pass-through over and above the 8% currently allowed over the years. Perhaps this is because the ability to increase rents up to 8% annually is considered sufficient to cover the myriad of building maintenance and improvements.

However, in our particular rent controlled building on the west side of San Jose, with an average rent of less than $1400 a month, if rent increases are capped at 2%, this would give only a paltry $28/month or $336 a year per apartment in additional income.

This does not go very far toward the number of maintenance issues we have faced in the last few years, nor the annual increases in taxes and insurance, nor the huge amounts spent on capital improvements to make this a better and safer building for the tenants.

In the last 5 years or so, we have done these improvements:

8 bathrooms

6 kitchens

Installed a security system

Replaced the sprinkler system

Replaced rotted eaves and fascia boards

Repainted the building

And just this last month, spent $55,000, at the "request" of our property insurance company to replace all the iron railings around the upper floor and staircases to update to current code. This sum is close to half the year's gross rents from the property. Would we ask for a capital gain pass through for this project were this proposal to be passed? Absolutely. But, do we really need such a bureaucracy?

The proposal to step back the rents to what they were a year ago, is a definite slap in the face to those owners who have dutifully continued to maintain their buildings over the last year, planning that the rents would be increased 8% to help cover the expense.

Additionally, in the report there was no mention of what happens when a landlord REDUCES the rent, such as during the dot com bust, when we reduced the rents 10%, and kept them near the same amount for years. Shouldn't that be considered in the calculations?

I urge you to reject more stringent rent control. The problem with too little income for tenants to rent apartments in this area has more to do with businesses that only pay a minimum wage, and too few housing units, rather than the 1/3 of apartment owners who are already restricted from raising rents more than 8%. Do we really need to become another San Francisco or New York, where stringent rent control keeps apartments from turning over for decades? The last thing we need is to lock in a low rent, preventing tenants from moving, and tying up what little low income housing there is available.

Very truly yours,

Karen Johnson

San Jose

-----Original Message-----
From: Don Harr [mailto t]
Sent: Wednesday, March 23, 2016 8:06 PM
To: City Clerk
Subject: Council membeers
Re: Rent control. Dont screw up the existing law.

You have a duty to
assist the poor folks in this crowded city you have built up and continue to build up without a better-thought-out REGIONAL LAND USE
PLAN. Help the poor folks directly! Do not screw up the existing law
and do not add bureaucracy and $5 million of expenses. You ought to
know better. Severely rent controlled units will not turn over, they
will get clogged up with folks staying there for the discount! Help
the poor people; look at how weak the min. wage is in S J !!!!! Get
that fixed.

From: Kenneth Garrett [mailto]
Sent: Wednesday, March 23, 2016 7:37 PM
To: City Clerk
Subject: Please don't tax me more

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Kenneth Garrett

From: fran turano >
Sent: Wednesday, March 23, 2016 5:41 PM
To: City Clerk
Subject: Oppose Changes to the ARO

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Fran Turano

From: Greesan Gurumurthy >
Sent: Wednesday, March 23, 2016 5:50 PM
To: City Clerk
Subject: Against to ARO recommendation

Dear Mayor and Council members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Greesan

From: Karen Johnson < >
Sent: Wednesday, March 23, 2016 6:06 PM
To: City Clerk
Subject: Rent control modifications - Opposed

Honorable Mayor and City Council,
I see from the staff report that few if any building owners have requested capital gain pass-through over and above the 8% currently allowed over the years. Perhaps this is because the ability to increase rents up to 8% annually is considered sufficient to cover the myriad of building maintenance and improvements.
However, in our particular rent controlled building on the west side of San Jose, with an average rent of less than $1400 a month, if rent increases are capped at 2%, this would give only a paltry $28/month or $336 a year per apartment in additional income.
This does not go very far toward the number of maintenance issues we have faced in the last few years, nor the annual increases in taxes and insurance, nor the huge amounts spent on capital improvements to make this a better and safer building for the tenants.
In the last 5 years or so, we have done these improvements:
8 bathrooms
6 kitchens
Installed a security system
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Replaced rotted eaves and fascia boards
Repainted the building
And just this last month, spent $55,000, at the "request" of our property insurance company to replace all the iron railings around the upper floor and staircases to update to current code. This sum is close to half the year's gross rents from the property. Would we ask for a capital gain pass through for this project were this proposal to be passed? Absolutely. But, do we really need such a bureaucracy?
The proposal to step back the rents to what they were a year ago, is a definite slap in the face to those owners who have dutifully continued to maintain their buildings over the last year, planning that the rents would be increased 8% to help cover the expense.
Additionally, in the report there was no mention of what happens when a landlord REDUCES the rent, such as during the dot com bust, when we reduced the rents 10%, and kept them near the same amount for years. Shouldn't that be considered in the calculations?
I urge you to reject more stringent rent control. The problem with too little income for tenants to rent apartments in this area has more to do with businesses that only pay a minimum wage, and too few housing units, rather than the 1/3 of apartment owners who are already restricted from raising rents more than 8%. Do we really need to become another San Francisco or New York, where stringent rent control keeps apartments from turning over for decades? The last thing we need is to lock in a low rent, preventing tenants from moving, and tying up what little low income housing there is available.

Very truly yours,
Karen Johnson San Jose

From: Bruce < >
Sent: Thursday, March 24, 2016 10:05 AM
To: City Clerk
Subject: Apartment Rent Ordinance - Oppose Housing Department

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt our residents.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Thank you.

Sincerely,

Bruce

Bruce Rueppel

From: Patrick@InSiteProp.com >
Sent: Thursday, March 24, 2016 10:28 AM
To: City Clerk
Subject: Please Reject Changes to the ARO

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Patrick Curci
InSite Property Management

San Jose, CA 95128

From:
Sent: Thursday, March 24, 2016 11:29 AM
To: City Clerk
Subject: Against ARO staff recommendation

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Gustavo Gonzalez
Broker/Owner Valley View Properties
2014 Realtor Of The Year – Santa Clara County Association of Realtors
Past Chair – Santa Clara County Realtor Foundation

Mario P. Wijtman, MDJ Real Estate LLc

Portola Valley, CA 94028
e - **t -** **f -**

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copy to: cityclerk@sanjoseca.gov
Date: March 24, 2016
Regarding: Opposition to Stricter Rental Regulations

Dear Mayor and Councilmembers:

I am a Housing Provider in San Jose and I take great pride is providing a safe, clean, energy efficient, and attractive community to renting residents in San Jose. I think that the recommendations the Housing Department as proposed are extremely short sided. These stricter regulations will do absolutely nothing to help solve the shortage of housing, which we all know is the MAIN reason why rents keep climbing. It is simple supply and demand.

The regulations will hurt the tenants that desire clean, energy efficient, healthy communities. You will see nice communities fall into increasing levels of disrepair as property owners will simply not be able to afford to make desired improvements to their facilities as it will not be possible to recover the expense. Look what has happened to San Francisco and Oakland.

It is no longer logical to apply rent restrictions to apartments built Prior to 1979 only. These aging complexes require needed upgrades to the heating, lighting, hot water systems, plumbing fixtures, new windows, cantilever deck dry rot repair and to limit only the older complexes with this rent restrictions is not justified and very unfair.

The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed not to mention the increased burden on us property owners. This is such a bureaucratic attempt to solve a poor decision.

The solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to focus on and explore ways that would increase our supply not increase burdensome regulations. Please vote to reject these onerous proposals.

Sincerely,

Mario Wijtman

From: Frank Geefay < >
Sent: Thursday, March 24, 2016 2:47 PM
To: City Clerk
Subject: Do Not Approve the new "Apartment Rent Ordinance" (ARO) Recomendations

Dear Mayor and Councilmembers:

We are one of the majority of good guys and housing property owner. We own two fourplexes and one house in San Jose. In more than 10 years we have not raised one rent while our expenses have escalated. We maintain our properties in good shape and have long term tenanted mostly of middle-low to low income who are struggling to make a living. We understand that. There will be a time in the future where we will have to make modest raises in our rents to keep profitable while maintaining our properties. We would like to have the flexibility to make infrequent raises. With ARO we will be forced to raise rents annually thus imposing greater hardships upon our tenants due to the lack of flexibility to make infrequent rent raises to maintain very modest profitability. We also own older properties requiring constant maintenance. We need to constantly invest in ongoing maintenance to keep these properties sound and habitable for our tenants. We are struggling to maintain a healthy balance between our tenants' need for affordable housing and our need to make a modest income as retiree property owners who rely upon this income. We invested in these properties which we have held onto for over 35 years to provide us with a modest income for our retirement and are not in it to making a killing on profites or we would have sold long ago.

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Frank S. Geefay

From: Ron Granville >
Sent: Thursday, March 24, 2016 3:36 PM
To: City Clerk
Subject: Apartment Rent Ordinance

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Ron Granville, CPM®
CEO
Woodmont Real Estate Services
Belmont | CA | 94002
| (f)
www.wres.com
BRE License No. 00688241

March 24, 2016

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Jeff Bosshard, CPM®
President Multifamily Operations
Woodmont Real Estate Services
License No. 01202338

From: Mary Shao >
Sent: Thursday, March 24, 2016 3:02 PM
To: Grabowski, Ann; The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; Fedor, Denelle; District 10; City Clerk
Subject: Please say " No" On " Just Cause Eviction"

Dear Honorable Mayor/ Council Members:

As a resident/voter/investor who cares about our City, San Jose, I urge you to say "NO" on "Just Cause Eviction".

If San Jose Rental Control adds "Just Cause Eviction", all good residences, homeowners, and landlords will be impacted negatively by this "lose-lose" policy. And, you will lose tens of thousands of the voters' supports!

There is no need " Just cause eviction" at San Jose. Average 70 complains per year on rent increase over 44000 units amounts to 0.16% of complains. Most complains at average 200 per year are related to service deduction, not rent increase. The complain about "no cause eviction" are even less at average 30 complains per year, out of 44000ARO units, so average less than 0.1%.

In fact, there is no intention for landlord to evict good tenants. "Just Cause Eviction" would make it difficult to evict tenants engaged in illegal activity and may endanger other residents when a problem tenant lives nearby. When bad tenants stay and good tenants leave, our communities will become less safe. Please look at SF, Berkeley, EPA, they have higher crime rates after they implemented "Just Cause Eviction". "Just cause eviction" will stop more investors to enter San Jose…

The main purpose to implement a new San Jose Rental Control is to permit owners a fair and reasonable return on the value of their property while protecting tenants from excessive and unreasonable rent increases. The main purpose is to solve any issue instead creating more issues. However, "Just Cause Eviction" only creates more problems. Please reject "Just Cause Eviction." for San Jose residents/voters.

Sincerely,

Mary

From: >
Sent: Thursday, March 24, 2016 5:03 PM
To: City Clerk
Subject: Rent control

ar Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
William Woo

From:
Sent: Thursday, March 24, 2016 5:03 PM
To: City Clerk
Subject: Rent control

ar Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Frank Fong

From:
Sent: Thursday, March 24, 2016 5:02 PM
To: City Clerk
Subject: Rent control

ar Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Yan Woo

From:
Sent: Thursday, March 24, 2016 9:53 PM
To: Grabowski, Ann
Cc: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; City Clerk
Subject: Comments for draft

1) CPI and MNOI are not fair to me. I agree with the Housing Department's Recommendation. It's too expensive and too complex. If the Council votes for this, you will force me to increase my rents every year to the maximum allowed and my renters will move out sooner. This will help me get to market rents sooner. But it won't be good for my renters who will be forced to move into a more dangerous less expensive neighborhood or move out of San Jose. I will feel bad for them, but the city is forcing me to think about my survival before my renters. Whereas now, I don't have to worry about that. If and when needed, the 21% gives a "banking" allowance without the expensive cost of building a registry. Fortunately, I haven't had to use it because I want to keep my current renters for as long as possible.
2) Only one-third of the rental units in San Jose (the older buildings) are under the ARO. These rental units are operated mostly by small business owners and mom and pop owners who rely on the rental income to support their family and their senior life. During my 21 years of stay in San Jose, I remember in the first 15 years the rental market is pretty flat. In other words there was almost no increase in the rent. The crazy rent increase all happened in the last 4-5 years. In the years between 2007-2009, the rents decreased by a large percentage. So the market is always up and down. During those down or flat years the rent ordinance cannot force the tenant to stay or accept a 2% minimum annual increase. This is the reality of the market. Then how can the rent ordinance force such a tight limit of CPI-U (which is 2-3% in recent years) when market picks up?
3) Rent increase tied to CPI is very unfair to the older rental unit owners. Many of the rental property owners are mom and pap type small business owners. Most of them work extremely hard and save every penny in their lifetime. At the age of 40-50 some of them can afford to buy a unit or two as supplement income for their retirement. These are financially responsible citizens and are positive contributors to our society. The government should reward them rather than punish them by denying their right to the ownership of their properties, and kill their business. Think of this, if an ARO property owner owns a property since 1995 (which is the year I moved to San Jose), from 1995 to 2007 he could not raise rent, his expense (insurance, property tax, maintenance) increased every year, he had to bare the lost of property vacancy during the tenant change over. In 2008 his tenant asked him to reduce the rent, or the tenant would move out, leave the apartment empty and hard to find the next tenant. Starting from 2012 the market started to pick up, but now the REO kicked in, limiting his rent increase to 2-3%. Let me ask the staff who made the recommendation: where is the fairness to those mom and pap business owner? I agree currently there is a social problem due to high rent. But the government should NEVER "solve" the problem by sacrificing some citizen's interest to please the majority group. We should NOT use government's force to

deprive a group of people's right to satisfy another group of people. If we do that what's the difference between us and a socialist country, such as North Korea?

4) Each year for the past 5 years, the City of San Jose's Housing Department reported the following on 44,300 units in 5,026 ARO buildings:
Complaints filed against 81 owners (1.6% of ARO buildings)
156 tenant complaints (3/10th of 1% of ARO units)
47 excessive rent increase complaints (1/10th of 1% of ARO units)
28 termination of tenancy (< 1/10th of 1% of ARO units)
Several stakeholders on the ARO Advisory Council, including a tenant advocate have said numerous times, "*With these numbers why are we even here.*"
Based on the above data, there is No need to change the current San Jose ARO!

5) MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City. Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

6) The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !
I am also wondering how the tenants are going to feel about having their name registered each year with the city of San Jose and paying half the bill for being registered. One of the tenant advocates said "It's like the Mafia. Pay and we will protect you."
There are other more cost effective ways to identify the bad landlords than building a staff to register the good ones. We could pay the rent of 267 veterans each year for this money.
How will the tenants feel getting a bill for $54 per year for this apparent "protection"? At a fully loaded cost to hire the proposed 30 staff members, it can't be much less than the high-end of the $9 per unit per month fee increase the Housing Department proposed on slide 65 of their presentation. My tenants can't afford this bill and I do not want to pass it on to them.
Housing is now charging me $113 per unit for code enforcement. 16% of the monthly rent I get goes towards city fees. 17% goes toward services to tenants such as water, garbage, and PG&E. This equals 33%. In their ARO study, they show all operating costs at 33.5%.

Dan Pan

From: Neville Batliwalla [ ]
Sent: Monday, March 21, 2016 8:50 AM
To: The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; Jones, Chappie <Chappie.Jones@sanjoseca.gov>; Kalra, Ash <ash.kalra@sanjoseca.gov>; Peralez, Raul <Raul.Peralez@sanjoseca.gov>; Matthews, Margie <Margie.Matthews@sanjoseca.gov>; Carrasco, Magdalena <Magdalena.Carrasco@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; Nguyen, Tam <Tam.Nguyen@sanjoseca.gov>; Rocha, Donald <Donald.Rocha@sanjoseca.gov>; Khamis, Johnny <johnny.khamis@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>; Grabowski, Ann <ann.grabowski@sanjoseca.gov>; Chen, Wayne <wayne.chen@sanjoseca.gov>
Subject: And I thought San Jose was a business friendly city!!

Dear Mayor, Council Members and Housing Staff,

While I was listening to the presentation on March 16th from the City Housing Department on their rent ordinance recommendations I started wondering whether I was in The Capital of Silicon Valley or in a Socialist, Dictatorship like Cuba!!

It is unfortunate that the City's Housing Dept. has completely ignored and discredited the six owner representatives on the Advisory Committee who have voiced their unequivocal opposition to the new proposed rent ordinance.

Many articles about this meeting have been published. Below is the link from The Silicon Valley Business Journal with the title "San Jose landlords slam rent control recommendations and housing department" http://www.bizjournals.com/sanjose/news/2016/03/17/san-jose-landlords-slam-rent-control.html.

On March 15th the Mountain View City Council had a meeting to vote on rent stabilization. And in case you missed this article from the same business publication "Mountain View nixes rent arbitration"http://www.bizjournals.com/sanjose/news/2016/03/16/mountain-view-city-council-shoots-down-binding.html?ana=e_du_pub&s=article_du&ed=2016-03-16&u=6ycIOn9%2FPWg9Z9Cm9%2BMF2g00fef161&t=1458489611&j=71484632

The City Housing Board should be more focused on increasing the affordable housing stock, assist the few hundreds with their rent payments rather than change an entire system that has been working well for both landlords and tenants for many years.

These unilateral changes will result in major damage to the City budget, City crime rate, tenants quality of life and to the detriment of the small landlords.

Regards

From: sue liu [mailto:[redacted]]
Sent: Friday, March 11, 2016 10:50 AM
To: The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>
Cc: Jones, Chappie <Chappie.Jones@sanjoseca.gov>; Kalra, Ash <ash.kalra@sanjoseca.gov>; Peralez, Raul <Raul.Peralez@sanjoseca.gov>; Nguyen, Manh <manh.nguyen@sanjoseca.gov>; Carrasco, Magdalena <Magdalena.Carrasco@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; Nguyen, Tam <Tam.Nguyen@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; Rocha, Donald <Donald.Rocha@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; Fedor, Denelle <Denelle.Fedor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>
Subject: Oppose Rent Control in San Jose

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners canNOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:
8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cash flow.
During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to make up for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking,

banking, fees, etc. is way beyond the
capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Sue Liu

From: Alex S [mailto:[redacted]]
Sent: Friday, March 11, 2016 11:26 AM
To: The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Jones, Chappie <Chappie.Jones@sanjoseca.gov>; Kalra, Ash <ash.kalra@sanjoseca.gov>; Peralez, Raul <Raul.Peralez@sanjoseca.gov>; Nguyen, Manh <manh.nguyen@sanjoseca.gov>; Carrasco, Magdalena <Magdalena.Carrasco@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; Nguyen, Tam <Tam.Nguyen@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; Rocha, Donald <Donald.Rocha@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; Fedor, Denelle <Denelle.Fedor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>
Subject: In opposition of Rent Control in San Jose

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

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Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners canNOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:
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Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on

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Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the
capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Alireza Shirvani

Owner of just one property at

[redacted]

San Jose, CA 95124

From: Ken Yeung <[redacted]>
Sent: Friday, March 11, 2016 12:23 PM
To: Ken Yeung; Ken 4 home; May Kwan
Subject: Mayor and council members of San Jose please vote NO to CPI!!!

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners canNOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

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Best regards,

Ken Yeung
Owner of [redacted], San Jose 95124

From: Steve Reuter <[redacted]>
Sent: Friday, March 11, 2016 12:29 PM
To: Liccardo, Sam; The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Rocha, Donald; Khamis, Johnny; Fedor, Denelle; City Clerk
Subject: Proposed Rent Control Modifications

Honorable Mayor and Councilmembers:

As a resident of San Jose Council District 1 and the owner of a fourplex in Council District 9, I am extremely concerned about the proposed amendments to the city's Apartment Rent Ordinance. While well-meaning, these proposals will end up punishing property owners of the small portion (1/3) of rental housing units actually subject to the ARO.

Despite your best intentions, it is not possible to legislate the law of supply and demand. To control rents, you need to do everything possible to increase the supply of rental housing, and these proposals would have exactly the opposite effect. While there are those that say that 8% increases have done nothing to mitigate rent increases, this is absolutely not true. Market rents have increased at much greater than 8% per year in recent years.

I am a responsible landlord and follow the rules of the law. However, the proposed rules are overly complex and will be difficult for both owners and tenants to understand and follow.

I rely on income from this fourplex for the great majority of my retirement income. If these proposals are adopted, I will have no choice but to sell this property and purchase in an area where I can receive a fair return on my investment.

No one can deny that we do not have enough housing to meet demand. The only way we can address housing affordability is to make more housing available and support the construction of more housing for families of all income levels.

Sincerely,
Steve Reuter
Residence: [redacted]
Fourplex: [redacted]

From: Julia Qian [redacted]>
Sent: Friday, March 11, 2016 2:12 PM
To: Julia Qian
Subject: NO to CPI

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about San Jose City, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

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income families.

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Best regards,

Julia

From: [redacted] <[redacted]>
Sent: Friday, March 11, 2016 2:50 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; Fedor, Denelle; City Clerk
Subject: Vote no on Proposed New Rent Control Ordinance

Dear Councilman,
I own a pre 1979 4-plex that will subjected to the staff proposed rent control ordinance.
I bought my property in a high interest rate era and for many years endured a negative cash flow accordingly.
We also endured several years of rent reductions after the dot com bust and had to evict several non paying and disruptive tenants.

But we invested all our savings and numerous hours of "sweat equity" (painting, landscaping, repairs etc.) with the hope of someday paying down our mortgages and using the income from the property to supplement retirement. and contract out the upkeep and management of the property. Unlike the staff that is proposing this radical ordinance, we do not have government funded pensions to retire on. I'm 67 years old and still working.

We have always kept rent well below market and only raised rents when a new tenant moved in. Currently, rents are $500 per unit per month below market. I could implement the 21% 2 year allowable increase, but prefer not to as my tenants are all long term (4 to 14 years) residents and it would be burdensome on them. Under the proposed new ordinance, NO GOOD DEED WILL GO UNPUNISHED. We will not be allowed to recoup our losses ever, afford to make upgrades or repairs, or even to sell the property as no investor will want to take on this burdensome ordinance.

We are mom and pop owners, unable to hire lobbyists, not large post 1979 corporate developers, which curiously are exempt from this ordinance and constitute two thirds of the rental units in San Jose
No one has built these family owned individual 4 plexes , to my knowledge, in decades. They are probably the most affordable housing in San Jose, and yet, being singled out as responsible for the housing affordability crisis.

Why would San Jose , already in a debt crisis, want to create a new bureaucracy to oversee this punitive ordinance? It already has mechanisms to deal with the current rent control ordinance. Not to mention the millions in property tax revenue San Jose will lose to do lower property values.

I would respectfully ask that you reject this unfair ordinance.

Sincerely,
William Pierce

From: M. Charon <[redacted]>
Sent: Friday, March 11, 2016 4:34 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; Fedor, Denelle; City Clerk
Subject: rent control issue

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

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As mentioned in the staff report, MNOI is proposed to ensure "fairness" to make up for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

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capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Mark CHaron
Thank you. Mark

From: benjamin lee [redacted]>
Sent: Saturday, March 12, 2016 2:47 PM
To: The Office of Mayor Sam Liccardo; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; Fedor, Denelle; City Clerk
Subject: Objection to rent control

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

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Best regards,

Benjamin Lee

[redacted]
San Jose, CA
95124

From: Upendra Chowlera <[redacted]>
Sent: Saturday, March 12, 2016 10:56 PM
To: [redacted]
Subject: Urge to vote NO" on rent control..

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

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Best regards,

Upendra Chowlera
Your Name

--
Upendra Chowlera
408.[redacted] (Google Virtual)
408.[redacted] (C)
[redacted]

From: Belinda <[redacted]>
Sent: Sunday, March 13, 2016 1:50 PM
To: Herrera, Rose; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Rocha, Donald; Nguyen, Tam; District 10; Fedor, Denelle; City Clerk
Subject: About rent

Dear Honorable Mayor/ Council Members,

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--

Best regards!
(Belinda) Xiaorong Zhan
[redacted] *San Jose, CA 95124*
Cell Phone: [redacted]

From: Dan Flees <[redacted]>
Sent: Monday, March 14, 2016 12:23 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; Fedor, Denelle; City Clerk; Grabowski, Ann
Subject: No to CPI-U increase

Dear Council Members,

I would like to give you a small landlord's perspective on the prospect of tightened rent control ordinance(s) in San Jose being proposed and considered by the council. We got into the rental business in hopes of funding our kids' college education. We purchased a few single family homes and duplexes over the past 7 years, including one duplex near San Jose. For each property when we purchased it, the return on investment was minimal. We were counting on slow steady increases in rent, rise in property value and slow payoff of the mortgages. Our rents are generally slightly below market and we don't raise them much year-over-year if we have good tenants. Now our best yielding property returns ~ 6% ... 3% after the state and federal income tax bite. 3% is not bad in this low interest rate environment, but we are hardly getting rich off rent. We do advertising, tenant search, screening, gardening and much of the building maintenance ourselves, taking time away from our family and primary jobs. Costs for taxes, insurance, water, sewer, garbage, and maintenance go up year after year, in some cases by double digit increases. On each property we are only one bad tenant/eviction or major repair away from losing money in any given year. Federal tax policy classifies rental income as passive income, but any landlord can tell you that it is anything but passive in terms of the amount of work required.
The proposed rent control tightening is a poor policy direction. What is it really trying to accomplish? Look at cities that have rent control ordinances around the country ... do they have low rents? The answer is only for people who are lucky enough to live in the same spot for many years ... everyone else pays the price. More strict rent control will have the following effects on the rental market
1) create perverse incentives for large landlords to increase tenant turnover at the same time it creates a dis-incentive for tenants to move who may need to for reasons such as job/status changes.
2) drive out small landlords such as ourselves who are willing to take a smaller ROI, because with strict rent control we have even less control over the risk of monetary loss. Is the city going to mandate that we don't have vacancies, property taxes don't increase, water/sewer/garbage rate increases don't exceed the allowed rent increase?
3) create additional burdensome rules that make it not worth the effort of being a small landlord.
4) increase rental prices for market rate units ... if a fraction of rental stock is held significantly under market rate by rent control , then the remaining rental units will necessarily rise in price to compensate. Small landlords don't have many units so they can't balance costs and rental income across many properties.
5) serve as a disincentive to put capital investment back into properties. If the costs can't be recouped, there will be less investment in maintaining properties. Small landlords don't have administrative staffs to fill out pass thru paperwork with a city department and petition for the rent they need to make a property financially viable.

We understand that the city feels compelled to do something about large rent increases and a region-wide housing shortage that has been driven by imbalance between supply and demand, but rent control is the wrong solution. If you want to moderate rents, only an increase in supply will do that, or a decrease in demand during the next recession. Please consider very carefully if the city government can really predict what rents are required for a long-term robust rental market as the population grows. We believe the market and property owners who bear the risks of escalating costs, taxes, vacancies, delinquent tenants , and property maintenance deserve a significant amount of discretion in determining an acceptable rent to offset the risks and hard work that goes into managing properties. One needs look no further than San Francisco to see that aggressive rent control policies do not insure an adequate supply of affordable housing and lead to perverse incentives for both landlords and tenants.

Regards,

Daniel Flees / Annie Liu

From: Joann Wang [redacted]>
Sent: Monday, March 14, 2016 5:15 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; Fedor, Denelle; City Clerk; Grabowski, Ann
Subject: Against new Rent Control

Dear Honorable Mayor/ Council Members,

I am resident of San Jose. I am against new proposed Rent Control. The reasons are as below:
1. CPI-U does not represent the operating cost. This rate can't cover house base maintenance, and other utilities increase. Such as, my rent property's HOA increased 20% in 2015.
2. Invest on rent is very important finance plan for a family. That even could be a part of income for retirement. When we decided to buy and hold, our investing plan was based on current rate. If the rate was reduced to 2-3%, this would break my retirement plan. That is unfair for us.
3. This new strict RC rule potentially will break the relation between tenants and landlords.
4. Too strict RC rule will hurt a healthy housing market. It will let new buyer hesitate to get in. That eventually will hurt our city economy.

I understand all council members of San Jose are working hard to make an efficient plan to help the tenant, to help them to have an affordable place to living. That is the responsibility of government. But no matter which plan, should not hurt current owners, should not let investing become a burden.

Sincerely

Wenjuan Wang
Weiguo Du

[redacted],
San Jose, CA 95120

From: Neville Batliwalla <[redacted]
Sent: Tuesday, March 15, 2016 3:47 PM
To: The Office of Mayor Sam Liccardo; Herrera, Rose; Jones, Chappie; Kalra, Ash; Peralez, Raul; Matthews, Margie; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Rocha, Donald; Khamis, Johnny; City Clerk; Grabowski, Ann; Chen, Wayne; jacky.morales@sanjoseca.gov
Subject: Comments on Rent Ordinance study

Ladies and Gentlemen,

We have read the Draft Report and Draft Modifications to the City of SJ Apartment Rent Ordinance.
It is disturbing to read how both these report proposals are Pro Rent Control.

At the numerous meetings owners have made abundant recommendations to the City's Department of Housing ("Staff") which they have chosen to ignore.
It was our hope that Staff would issue an unbiased report.

Nobody will argue that the issue here is the low supply of new rental units.
As I understand the ratio of new jobs created to new housing units in SJ is about 10:1.
Recently I sent an e mail to "Staff" asking for data on this and the response was two links that sent me to sites with more links!
This leads me to believe that "Staff" either does not have the data or is ashamed of providing it.
Clearly this is not being addressed by the city and owners are being blamed and forced to provide short term relief to tenants.

We are small time owners who have saved and worked hard to provide a retirement income for ourselves and our families. We do not have any other retirement benefits or income.
We have also improved the condition of the properties and provided employment for our contractors, gardeners etc.
It will be very challenging at our age to lose our retirement income and to find jobs if these modifications are adapted.

San Jose has done some excellent work creating new jobs.
The focus now also needs to be on creating affordable housing and new housing for the working family.

This great city needs an unbiased report focused on the short and long term.
The current Housing Department does not have the desire or will to provide this.

Regards

Neville Batliwalla

From: Abby Jenson [redacted]>
Sent: Tuesday, March 15, 2016 4:41 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; Fedor, Denelle; City Clerk
Subject: No on CPI-U

Dear Honorable Mayor/ Council Members,

Since you all will be receiving this same email from many sources, I still wanted to put in my personal plea. I am and have been a small property owner for over 40 years. The properties were the only income for my parents when they needed home care in their home. When they passed and the properties went to my care, again the properties are supporting me and my deceased brother's 2 sons and daughter. With out the income from the properties we would be hurting.

We have had to go through a situation where it took 6 months to "legally" evict someone from a property and with all the damage they did and the loss of rent it was over a loss of $30,000 on that one building! and now you want to take away our "savings" which we have in these buildings and any future income. When did all the attention go to the tenants for their housing needs yet not to the property owners, who have to do all the repairs, pay insurance and loose thousands of dollars when tenants destroy the properties. We don't increase our rents to our tenants who have been in the properties for over 10 years, "just because" and their rents are still in the $1400/2 br.

If anything, you should be going after the "Big Apartment owners" who are escalating the rents, just like in the housing market. There is no real need to increase the rents at the rate that they have been, except for their greed. Yes, rental increases need to be need based and give the property owners enough wiggle room to have the savings when repairs are needed, but The big apartment owners are increasing their rents so high now, I am sure in anticipation of you passing a stupid law like this, that we would not be able to increase our rents to their levels, which are too high anyway. Maybe you could have, must like with 8% increase allowable on buildings built before 1979, buildings built after 2013 would be subject to the 2-3% allowable rent increase. They have already had higher rents already and they would be limited to a lower rent increase margin.

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners canNOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:
8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cash flow.
During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to make up for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the
capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Abby Jenson

Pal-Freeman Properties
Property Owner

From: Jon . [redacted]>
Sent: Tuesday, March 15, 2016 10:34 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; Fedor, Denelle; District 10; City Clerk
Subject: EMERGENCY - I Oppose Selective Rent Control in San Jose

Dear Honorable Mayor/ Council Members,

As a owner of one older fourplex building in San Jose, I am alarmed that more and tighter rent control is proposed for the older buildings while apartments built after 1979 are exempt from any rent control. This is totally unfair, how can you do this? You need to make the playing field level, all rentals are competitive in rents when people move in but then we are penalized for having a older building and cannot afford to do the needed upkeep and renovation while buildings built after 1979 get preferred treatment. This is just not fair. First level the playing field and THEN decide how to move forward with rent increase amounts. Again, please be fair to us . . . you want us to be fair to our tenants . . . it has to be a two way street.

So, I as a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners canNOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

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Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to make up for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the
capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Jon Willey

From: Edwin Stafford [mailto:[redacted]]
Sent: Wednesday, March 16, 2016 8:07 AM
Subject: Rent Control Concerns

My name is Edwin Stafford, I am the owner of 2994 Huff, San Jose, a rental property with 12 units. I am the President of Magliocco-Huff Owners Association; there are 33 rental properties along Magliocco and Huff. I am proud to say that most of the buildings in our area are 50 years plus but our association has encouraged the property maintenance to maintain a nice and desirable neighborhood for our tenants.

Our association was directly involved with San Jose Coalition for Safe Neighborhoods in 2001 fighting the efforts of Just Cause and the implementation of the current Rent Control Ordinance. At this time our association and I are very concerned about the efforts to change the existing Rent Control Ordinance.

"If it ain't broke, don't fix it" is our position. Our Assoc. has met annually with a member of the San Jose Housing for the purpose of review of the requirements of the Rent Control Ordinance. Our group wanted to make sure we were following the proper procedures and that the Rent Control program was working as intended. We do not like the program but we can live with it as it has demonstrated it is working well.

The recent considerations for recommendations for changes in the current Rent Control Ordinance have many significant negative aspects that impact rental property management. I have listed a few of my major concerns.

First of all, it is unfair to single out approximately 44,000 rental properties built prior 1979 to be under Rent Control. Two-thirds of these buildings are now 50 years old and many of these have "Mom and Pop" owners who made investments years ago for the purpose of added income during retirement years. Although the value of these properties have increased over the years so have cost of maintenance and costs of living. Property values, in particular homes, in our community have significantly increased. This is the result of many factors, especially the desire to live in this area due to employment opportunities. The new rental apartment complexes are so large that they are owned and managed by large companies that are able to demand high rents because of all the amenities they can provide. This contributes to high market rate rents. There have been no efforts by the City to impose Rent Control for this group. There has been a failure of City government to make sure there is ample development of low housing. Now the target for Rent Control falls on older properties.

The 2015 Fall Community meetings for recommendations for changes in Rent Control had more property owners in attendance than tenants. It was clear there is concern about the proposed changes. The recent City of San Jose Apartment Rent Ordinance Study was prepared by authors who have supported Rent Control and the information was biased in favor of greater Rent Control. There is little, if any, information about the impact these rules have on property owners, increased costs of property maintenance, and negative issues that appear when Rent Control is in effect. It appears the report is used to support recommendation for increased Rent Control rules that apply only to the approximately 44,000 units.

The draft proposal recommends the allowed annual rent increase is to be determined twice a year by the CPI-U index for the San Francisco, Oakland, San Jose metropolitan area with a base of 2% and a cap of 8% with "banking" during years rents have not been imposed is not acceptable. Those units not in rent control will continue to use market rates which have always been high. In time properties in Rent Control will face drastic differences actual market rent rates.

The maintenance of net operating income (MNOI) standard recommendation proposal as presented does not take into consideration the actual cost of repair and replacement requirements of the older

buildings in Rent Control. If this standard is allowed to be imposed many owners will be discouraged to upgrade their properties and many will fail to maintain desirable units for potential renters. This would be a negative impact on the efforts of the City to provide safe and desirable neighborhoods.
The limited capital improvement incentive program recommendation will require more staff to monitor. It limits the property owners decisions as to what improvements are needed and which qualify to upgrade their properties.
The rent registry proposals are very complex. It provides a burdensome responsibility upon property owners. Rental rates are controlled by the Rent Control Ordinance which creates difference among similar rental units based on length of occupancy and frequency of voluntary vacancies. These are difficult for new tenants to understand..
The consideration of a Good Cause Eviction Ordinance is not needed. The current requirements under the existing Rent Control Ordinance has worked well over the years. There is no need to change the program as tenants have been provided with adequate guidelines for any challenges for eviction.
Please consider these points in evaluating the need for changes in Rent Contol.

From: Ken <[redacted]>
Sent: Thursday, March 17, 2016 9:05 AM
To: Ken
Cc: Liccardomayoremail@sanjoseca.gov
Subject: Opposing new San Jose rent control

Dear Mayor and Council,

I am a property owner and I provide jobs and housing. Rent Control is proposed as a solution to our housing crisis but it does not create more affordable housing. Simply put we need more housing supply in San Jose and Santa Clara County due to the growth in jobs.

In addition to rent control restrictions a "just cause" provision in the law would make it difficult to evict tenants engaged in illegal activity and may endanger other residents when a problem tenant lives nearby. We have current laws that are not being enforced that would go a long way to stopping the most egregious abuses being touted by concerned tenants. Let's enforce the laws we have before adding something that will make our communities less safe.

Safe, quality housing is important to all of us. I take pride in my business and my community.I encourage you to consider the many small property owners who will be affected by increased restrictions on rent control. Please vote against increased rent control restrictions in San Jose.

I have invested in this community and I stand ready engage with the City of San Jose on real solutions.

Best regards,
Kenny Young

From: Ken[redacted]>
Sent: Thursday, March 17, 2016 9:16 AM
To: Ken Yeung at gmail.com
Subject: Opposing new San Jose rent control

Dear Mayor and Councilmembers:
Sixty seven percent (67%) of the city's rental housing units are not subject to the rent control ordinance. The burden of restrictions already falls on the small owners, allowing the luxury apartment buildings to benefit from the lack of supply of lower-end units. The tighter the regulations on low-end units, the fewer low-income units will be available.
I oppose:

- Lowering the current 8% cap – Two previous San Jose City Councils and a task force (tenants and owners) have addressed this issue in the past and each time they agreed that 8% is a fair increase.
- Linking the allowable increase to any index -Tenants and owners need stability and the ability to plan ahead. A flat amount does not require staff to provide annual notices and outreach.
- Declaring 5% vacancy to be a tight market - It is unfair to compare any city in Silicon Valley to numbers used by HUD or by a national average. What is average in Chicago is not average in San Jose.
- Establishing an Anti-Retaliatory & Protection Ordnance - State law currently protects tenants from retaliation. Tenants have numerous resources to provide assistance, i.e. Bay Area Legal Aid, Asian Law Alliance, Legal Aid Society and Project Sentinel as listed on the handout from the Rental Rights and Referrals Program. All these tenant resources do not justify funding for an anti-retaliatory clinic.

I support:

- Enforcing the current rent control ordinance and holding violators accountable
- Increased education for owners and renters so both sides understand their rights and responsibilities
- Providing a handout to tenants explaining their rights and responsibilities under the ordinance. Giving a tenant the entire ordinance could be cumbersome and confusing.

By the housing staff's own reporting, over the past five years there have been very few complaints or requests for mediation. There is no indication that a problem exist.
This year's Beacon Economic report cites that rent control restricts the available supply of local affordable housing.
A non-partisan study by the State Legislative Analysts Office points out the "lock-in effect" as the unintended consequences of rent control. Residents in rent-controlled housing pay rents well below market rates. This discourages residents from moving to market-rate housing even when it may otherwise benefit them to change locations. The "lock-in effect" also encourages residents to remain in place long after their personal income has improved. It "locks out" the very people it is supposed to help.
The housing staff has used San Francisco and Oakland as the role models for rent

control. Both cities have no available low-income units due to their stringent rent control ordinances. If anything we should have learned by their example that rent control doesn't work. They have closed the door on low-income housing.

San Francisco and Oakland are situated on the coast with few choices in direction to where individuals can purchase small multi-unit buildings. San Jose doesn't have the same benefit. Investors can purchase rental property in Milpitas, Santa Clara, Campbell and Sunnyvale without the restrictions of a narrow rent control ordinance. If the council passes the recommended changes to the ordinance the surrounding cities will be the real benefactors.

Sincerely,

Kennith Y

From: EP <[redacted]>
Sent: Thursday, March 17, 2016 3:39 PM
To: The Office of Mayor Sam Liccardo
Cc: Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; agdalena.carrasco@sanjoseca.gov; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; Fedor, Denelle; City Clerk
Subject: ARI and CPI-U proposal for small landlords

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, also there are lots of not normal operating maintenance expenses, such as roof, plumbing, asbestos removal, etc., and Capital Improvements/Debt Service, and older building need major investments, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners cannot!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:
8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cash flow.
During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the
capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

To quote a leading republican candidate for president; this is a very dumb and stupid Law.
Please do not confirm this leading candidate's assertion that we are being led by very, very stupid people and we are making very dumb and stupid deals!
This is an outrageous proposal that fixes nothing and creates a huge city hall bureaucracy, hurts small landlords and helps no one!

Best regards,

Eloy Pando

From: Shao Mary <[redacted]>
Sent: Tuesday, March 8, 2016 11:33 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; Fedor, Denelle; District 10; City Clerk
Subject: Please say "NO" to annual allowable rent increase on CPI-U

Dear Honorable Mayor/ Council Members

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U.

1. The annual allowable rent increase on 100% CPI-U, which is around 2-3% now, is way too low. MNOI is too complicated to small landlords and no guarantee to be approved by city. CPI-U annual rent increase will make small landlords out of business. Here is the analysis for our cost increased each year:

- Vacancy (5% at economy booming and 20% at economy recession);
- Property Tax (2% increase, plus new parcel tax);
- Water & Sewer (20% increase);
- Garbage (5% increase);
- PG&E (10% increase);
- Insurance (10% increase);
- Repair, minimum (10% increase) including Plumbing, electrical, appliance, etc;
- Other Expense, such as sidewalk repair (10% increase); cleaning: illegal dumping (10% increase) from other random people
- Minimum repair & paint due to tenants' moving out (10% increase)

2. The cost to run MNOI from city is too much. It is better for city to have that money to support low income family for rent.

3. Following are the reasons for much higher allowable annual rent increase:

8% is just like an insurance to small landlords to deal with extreme cases, such as bad tenants' costly damage of property, throwing garbage everywhere, fine from city for tenant's misbehaves, etc.
Landlords can't increase rent or even lower the rent during downturn of economy. No reimbursement from city. The CPI will only punish landlords without any protection. 8% will help make up the lose from downturn time.

4. The proposal is full of tedious requirements on the owners. For instance, page 11, B-2, in addition to the normal 30/60/90 day notifications, Owners need to provide new tenants break down of rent, including base, and fees, also inform the tenant of any banking of the rent charges accumulated from previous down years, etc, etc. These tedious requirements put

undue burden on the small landlords and it is very easy for them to make mistakes, resulting in legal charges or penalty!

5. City estimated that these complications will result in 30 FTE which is a very high pay. These positions come with huge benefit and fat retirement checks, which will cost 4.5 million! This money can definitely use for families in need. **It is a " lose-lose" suggestion** to put additional burden on small owners on a program that can't benefit any families in real need.

Thank you for your attention and help!

Sincerely,

Lin's familly

From: Dan Pan <[redacted]>
Sent: Sunday, March 6, 2016 7:51 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; Fedor, Denelle; City Clerk
Subject: Say No to CPI Annual Rent Increase

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners canNOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:
8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cashflow.
During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Dan

From: Ru Yun[redacted]
Sent: Sunday, March 6, 2016 9:27 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; Fedor, Denelle; City Clerk
Subject: Please vote NO to CPI!!!

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

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Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Yun Ru

From: LiDong <[redacted]>
Sent: Monday, March 7, 2016 2:13 PM
To: Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; City Clerk
Subject: Please vote NO to CPI!!! for the Rent Increase

Dear Honorable,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners canNOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:
8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cashflow.
During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Dong

From: David Yan [redacted]>
Sent: Sunday, March 27, 2016 3:55 PM
To: Khamis, Johnny
Cc: ann.grabowski@sanjoseca.go; City Clerk; David Yan; Lisa Xiang
Subject: Opinions and concerns about rent control ordinance modification proposals

Dear Mr. Khamis,

First of all, please allow me to introduce myself. My name is David Yan. I live in Brookfield community, which was newly constructed two years ago. In the past two years I had a few opportunities to see you and talk to you when you came to our community meetings to address our concerns on Guadalupe Mines Waste Management's power plant relocation proposal and our neighborhood safety issues. Through those meetings you successfully built a very positive image among our community.

Today I am writing this email to you regarding the proposed San Jose rent control ordinance modifications. I learned that on April 19 there will be a city council meeting in which the council members will vote on the proposed modifications. In the past few weeks I learned about some of the proposed changes and I am very concerned about those proposals.

I own a few rental properties in San Jose. All my rental properties are single family houses. So the current rent control ordinance does not really affect me much. However, As a concerned citizen who has been living in San Jose for the last twenty one years I'd like to share my opinions on this matter because I feel we are in completely wrong track in attacking the housing shortage problem that the entire Bay Area is currently facing.

No one can deny that in recent years the rental cost in all Bay Area cities are increased significantly and some tenants feel the pain. The fundamental reason behind this phenomenon is the imbalance of supply and demand. Bay Area has been very successful in attracting high tech businesses. Plenty of job opportunities drives a lot of people moving in. The construction of housing cannot keep up with the increase of the population. This caused the rent to increase. Lately I saw a lot of multi-level apartment buildings and mixed-use buildings being constructed everywhere in the Bay Area, and I believe they eventually help to release the housing pressure. The government policy should encourage such business activities. However, if we pass unreasonably strict rent control ordinance, we send business world a wrong message, and it ultimately discourages the construction of new apartment buildings and complexes. This will cause the housing market to get worse.

Among the staff recommendations to rent control modifications I found two unreasonable items: 1) Just cause eviction, and 2) Tie rent increase limit to CPI-U. In my opinion, just cause eviction does not help tenant, it only helps to promote attorney business and hurts the housing business. Ultimately the increase of the property management cost pushes the rent to increase more. Tying rent increase to CPI-U is extremely unfair to the landlords. When we are in the up market we should always bear in mind that market goes up and down. In the down market the ordinance cannot guarantee landlords stable rental income. They have to take loss for property vacancy or rent decrease. So I think tying the rent increase to CPI-U is too extreme, and does not provide equal protection to everyone. In fact if we look at the surrounding cities. I know that recently Mountain View had similar proposal and it was rejected by its city council. The city of Mountain

View decided on a fixed number of 7.2%. This provides an excellent reference to San Jose when we face the similar issue.

Thank you very much for spending time reading my email. I hope my input is useful to you when you make your voting decision on April 19 meeting.

Best regards

David Yan
District 10 resident

From: Ray Lubow [mailto[redacted]
Sent: Tuesday, March 29, 2016 11:49 PM
Subject: Thoughts on Rent Control from a Good Landlord

Dear San Jose Council:

As a rental property owner in San Jose, I am deeply troubled by the proposed amendments to the city's Apartment Rent Ordinance. The proposed regulations will jeopardize safe, quality housing for our residents.

I am a responsible landlord and follow the rules of the law.

Punitive rent control measures have troubling consequences. Limiting annual rent increases to CPI will spark an increase in the deterioration and under-maintenance of rent-controlled rental units. Owners may reduce or eventually abandon upkeep, creating blighted neighborhoods where rental housing is clustered.

Capital improvements are an important part of maintaining good, safe neighborhoods. **A pass through is usually very little more than the basic rent increase.** It's important to be able to recover some of the costs. **For example: Putting in all new double pane windows really improves the renters' enjoyment of their apartment.** Uncertainty over whether or not certain improvements can be passed-through will only lead to fewer improvements and a decrease in critical investments in our city's housing stock.

I agree that passing through financing makes no sense. It provides nothing to the tenants' enjoyment.

Rental owners, like their residents, value certainty, reliability, and stability. A fixed-rate maximum allowable rent increase with a clear process for passing on capital expenses is far superior to the staff proposal. Using CPI fails to take into account rising costs of insurance, taxes, maintenance, and utilities while ensuring a return on my investment. **A much fairer index would be CPI-U + 3%. This accurately reflects real expense "growth."**

No one can deny that we do not have enough housing to meet demand. The only way we can address housing affordability is to make more housing available and support the construction of more housing for families of all income levels. Stricter regulations won't solve our problems.

Sincerely,

Ray Lubow
A landlord who takes care of his property and cares for his tenants.

From: Joseph Bommarito [redacted]
Sent: Wednesday, March 30, 2016 8:34 AM
To: City Clerk
Subject: Rent Control Ordinance

Let's not destroy each other !

Instead of **taking** from one another let's **give** to one another by compromising. In a compromise you do not destroy one another. Each side wins something. Let's compromise and make it a win win solution for both Tenants and Owners.

Thank You,
Joe Bommarito
Property Owner

From: Ken & Meina Young <[redacted]>
Sent: Monday, March 28, 2016 9:54 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: No to proposed ARO changes

Dear Mayor, Vice Mayor, Council members, and officials,

Please keep San Jose the leading protector of equitable housing policies. The proposed ARO changes will open San Jose to the never-ending vicious cycles of housing crises from which many of other cities, especially San Francisco, are unable to break free. According to almost all economists, rent control has not worked elsewhere, and will not work for San Jose.

I strongly oppose reducing rent increases from 8% to CPI, including duplexes into ARO or just cause eviction. We own a duplex property mainly for ease of family sharing and flexibility of renting out extra space to help with mortgage and maintenance costs in the meantime. Our expenses have increased on an average 6% year-over-year over 20+ years due to expensive repairs, appliance replacements, roofing and painting, not including the time and labor that we spend on managing the rental and doing some of the repairs ourselves to cut down on costs. My parents, speaking very little English, worked three menial jobs to pay off the mortgage. Now they are 80 years old, with only social security income and difficulty taking care of themselves, will need to recover the rental unit to live with children and grandchildren. They cannot deal with complicated rental restrictions nor afford having to pay lawyers or tenants in order to have family live in their own house. The current 8% rent adjustment is working just fine since 1979. Please do not impose those dangerously unsound rent restrictions; they will force many mom and pop owners out of the rental market.

Please resist the temptation of blindly copycatting failed policies. History has shown us, and we have overcome, many challenges from market cycles and demographic changes by safeguarding proven long-term free-market policies which are driving forces for resourcefulness, creativity and resilience. The long-term health of San Jose's housing market lies in your hands. Thank you for your thoughtful consideration.

Meina Young

From: Sam X[redacted]>
Sent: Monday, March 28, 2016 4:00 PM
To: City Clerk; Grabowski, Ann
Subject: Say no to rental control in San Jose

**Using CPI fails to take into account rising costs of insurance, taxes, maintenance, and utilities.
**Limiting annual rent increases to CPI will result in the deterioration and under-maintenance of rent-controlled units.
**Forcing owners to "justify" whether or not they can make a profit shouldn't be the basis for passing on capital improvement costs.
**A fixed-rate maximum allowable rent increase with a clear process for passing on capital expenses is far superior than the staff's proposal.
**San Jose doesn't need 30 new employees to regulate the housing industry
Increase the vacancy rate declared as a "tight market to 5%": This would extend the days required on move-out notices to tenants
Implement a Full Rent Registry, requiring all tenant information to be provided to the Housing Dept
Establish and fund an "Anti-Retaliatory Clinic" to proactively monitor, analyze, educate and enforce the ARO.
Provide "Just Cause" protections against retaliation for tenants living in units that are substandard or have code violations (Tenants are already protected by state law) The proposal is a huge, multi-million dollar expansion of the San Jose Housing Department.
The Annual Allowable Rent Increase on 100% CPI-U, which is around 2-3% now, is way too low. MNOI is too complicated to small landlords and has no guarantee to be approved by city. Here is the analysis for our cost increase each year:
Vacancy (5% at economy booming and 20% at economy recession);

Sent from Outlook

From: Wenjing Huang[redacted]
Sent: Friday, March 25, 2016 8:11 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: I am against the proposed Rent Conrol in San Jose.

Dear Sir/Madam,

My name is Wenjing. I am small fourplex owner in San Jose. I have another full time job as well.

I understand we have rental issue, but I don't think just cause is the right solution.
Let me share with you my story. One of my tenants is a single mother with a 12 year old boy. Somehow her ex-husband, who has never been on lease, camps in the garage drinking, filled with junk, and pee over the wall. Other tenants complain that they just want a clean peaceful place after a full day of work. Some of them even started to think about moving out because this guy.
I asked her, and later him, to clean up. He said ok, and eventually he clean up after one month; unexpectedly, the next week, I noticed that the junk was back. This happened multiple times.
I talked to several lawyers, and they said this is not easy to have that tenant leave, with the current nuisance. If with just cause, I can predict this guy will put more junk here, and the garage is like big junk yard, and they drink or do all kinds of things. Meanwhile, other good hard working and clean tenants move out.
I don't think anyone want this to happen. Everyone, including tenants, small property owners, and city members, want our neighborhood or community to be safer, cleaner, and better. Just-cause harms good tenants, and practically it doesn't achieve the objective.

Thanks,

Wenjing

From: Roger Pennington <[redacted]>
Sent: Friday, March 25, 2016 9:36 PM
To: Roger Pennington
Subject: This is my home, that is your rental, semantics v reality.

I bought this 4plex to be my home, my property and I rent out the apartments like one would rent out rooms in their house.
Who and how this became defined as someone else's home first is wrong, they can call it whatever they want but it's not theirs any more than one renting a hotel room can say that is their home, let us not take a figure of speech to literally expecting a renter who puts $750 down to enjoy home ownership rights where the leaking roof is their sole responsibility to fix.
I intentionally worked and saved and sacrificed so that I could buy property to call my home, I looked at duplexes in 1992 and a realtor said to buy a 4plex so I searched and saved another 6 years.
I intend to live in my building one day, just not now, I dream of renting the apartments to family and friends one day, to this intention was my dream and efforts to secure property.
I saved the 30% down which entitled me to a 30 year fixed rate mortgage, this was my rent control.
I still rent where I live and always planned for the day I might have to move.
The only thing preventing renters from having their own stabilized monthly payment is to secure a fixed rate mortgage and to buy a property, some need only 10% down.
In order to buy a rental property one must anticipate the difficulty in finding, selecting, choosing dependable renters, educating them and protecting them and risk losing their down payment if the housing market lowers rents.
This ARO could cause all recent buyers of multiple housing properties to default on their loans and walk away.
In the early 1980's in New York over 300,000 apartment buildings were abandoned I read because of rent controls. When repairs exceeded income, owners walked away, takes awhile.
This ARO starts that process by devaluing my property value and reducing the number of people willing and able to get a loan to buy and manage it.

Is that car yours or your rental? Is there a difference? One you will absolutely care more about and take better care of.
It's not your home while the government obligates me to maintain it for you.
I need 8% increase so I can let my rents fall behind further and still catch up if and when needed.
ARO units are already 40% below the rents you state they are in your study.
ARO rentals provide the most affordable rentals available.

R Pennington

From: Roger Pennington <[redacted]>
Sent: Friday, March 25, 2016 9:38 PM
To: Roger Pennington
Subject: Laws are made for people that don't know better, not people that do good, Reason, explain then fight with all you have.

With all due respect:

I think it is offensive to call anyone an "actor" unless you are insinuating fraud or a theatrical professional. Stop doing it.
Owners were once referred to as "Landlords" for our God given authority to own land and control it. Property owner is accurate and not offensive to any and still elicits a sense of pride and accomplishment.

To create a strangling ARO regulation that further restricts only the 43,000 already regulated rent controlled units is unfair and unjust because some (a number you do not know) owners had at one time or another increased their rents the full 8% as allowed by the law, I am certain the rents of non-regulated properties still average 30% to 100% higher than my ARO property.

My rents are 41.7% below those rents shown in your study slides, my father's rents were 60% to 100% below because he has a non-rent controlled duplex and he is not worried about control, he has it.

So what that a few owners felt the need to make the full 8% increase allowed by law, you don't know the reasons why do you? there could be many reasons, perhaps they let their rents fall way behind because of a death or illness or because they felt generous, maybe they let the rents fall behind only because they knew they could go up 8% next year maybe that goes on for a few years like it did for my dad,. Many reasons, many you do not know, why did some go up 8% one year? maybe it was the most polite way to encourage them to move out on their own discretion rather than to just serving a notice to vacate and forcing them move on the owners schedule, at least they have an opportunity a chance to ask for a raise and explain to their employer they need more to live and work here and the employer can rightfully pass the higher cost of producing services in this area to the consumers who consume their services, put the kid to work, I was working at age 9, or take a second job at least that is your choice or maybe it's not that much to you but enough to make them think about buying their own home instead of renting. There could be many good reasons for an 8% increase. YOU WILL NEVER KNOW.

Owners know more than you imagine, they had to make thousands or tens of thousands of good decisions to become an owner, renters could get valuable information instead of just seeking reductions, you need a rent reduction? Ask me what I see you could do to help yourself before I consider a rent reduction, I want to make sure you are doing all you can to help yourself, oh, proud don't want my help, ok I won't pry.

Owners discourage loitering at their level and police discourage loitering at their level and immigration discourages loitering at their level, let us do our jobs and protect our communities we care about.

Relentlessly yours
Roger Pennington

From: Bonnie Liu [redacted]>
Sent: Saturday, March 26, 2016 4:54 PM
To: The Office of Mayor Sam Liccardo; Kalra, Ash; Jones, Chappie; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Khamis, Johnny; Rocha, Donald; Nguyen, Tam; City Clerk; Herrera, Rose
Subject: Please say NO to Annual Allowable Rent Increase Tied on CPI-U

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%. Otherwise, small landlords will be forced out of business & will face foreclosure very soon. The CPI-U does not represent the operating cost or market condition.

Housing Department used incorrect rent charge data to mislead the Mayor and city council and give the wrong impression that the ARO units are charging high rents. The data used is a mix of the new/ luxury apartment rents and the ARO unit rents.

The high rents are from the new, large apartment complex owned by the corporations but they are not regulated by the ARO. The mom and pop landlords are charging the much lower rents of 30 to 50% lower than the market.

Even the Data from Economic Roundtable Consulting report supports that the ARO rent charge is far below the current market at $1,388 (data source: Consultant report contracted by the San Jose Housing Department).

The current San Jose ARO works well. The data from San Jose Housing Department:
From San Jose ARO rental units: each year for the past 5 years, the City of San Jose's Housing Department reported the following on 44,300 units in 5,026 ARO buildings:
Complaints filed against 81 owners (1.6% of ARO buildings) – 98.4% have no complaints
156 tenant complaints (3/10th of 1% of ARO units) – 99.64% units have no complaints.
47 excessive rent increase complaints (1/10th of 1% of ARO units) – 99.89% units have no excessive rent increase complaints.
28 termination of tenancy (< 1/10th of 1% of ARO units)- 99.93% of units have no termination of tenancy complaints.

The above data demonstrates that the current ARO works well and majority of rental housing owners comply with the ARO. Only below 1% are bad apples. Why punish the majority due to the 1%?

San Jose's crime rate is over 1% of the population in year 2015. Does that mean, instead of only punishing the criminals, the City will put all San Jose Citizens in jail?
http://www.sjpd.org/CrimeStats/crimestats.html (data source)

Suggestions:
Keep the current rent increase cap at 8% or no below 6%
Enforce the existing Rental rights and referrals program to identify the bad apples
Offer workshops and seminars to educate both landlords and renters on their rights, responsibilities and obligations and where to seek help if issues coming up.

Yours sincerely,
Bonnie Liu

From: shen ye [redacted]>
Sent: Saturday, March 26, 2016 5:06 PM
To: The Office of Mayor Sam Liccardo; Kalra, Ash; Jones, Chappie; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Khamis, Johnny; Rocha, Donald; Nguyen, Tam; City Clerk; Herrera, Rose
Subject: Please Say NO to Annual Allowable Rent Increase Tied on CPI-U

Dear Honorable Mayor/ Council Members,

As a resident and small fourplex owner of city of San Jose, I am strongly oppose the current ARO recommendation from the housing department tie rent increase to CPI.

1) There are only 44000 ARO unit which is only about a third of the supply. These are older apartments build before 1979, mostly owned by small mom and pop operators. Since these are older, the rent is at the bottom of the market.

2) The new recommendation from housing tie rent increase to CPI, and ask to establish a huge housing registry department cost five million dollars a year with 30 FTE. Small operators has to register rent/forms of each unit, has to track banking of each unit during down years, and compare with MNOI etc etc. This is a huge task that is beyond most mom and pop owners, and is way too complicated. Is this a power grab by Jacky so that she could be some big housing director? I don't see this achieve anything else.

3) The housing department's own consultant report clearly state that ARO unit rent went from $628 to $1388 in 25 years. This is roughly the rate of inflation! The high rent that people see on paper are all from the large apartment which is not subject to ARO. Why using this excuse to punish the 100% of small mom and pop owners who are hard working, law biding and tax paying members who can least afford this?

This rent "crisis" is due to short supply, and the high rent is due to the two third apartment units build after 1979 who are not subject to ARO anyway, no matter how much bureaucracy you want to pile up on us.
I think lower the 8% cap to 7% or 6% is OK to do. But please don't support the rent increase tie to CPI. It is not fair, it is not American, and it does not solve anything and could achieve the opposite.

Your sincerely,
Shen

From: helen zheng <[redacted]
Sent: Saturday, March 26, 2016 9:46 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: Strongly against the rent control

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, also there are lots of not normal operating maintenance expenses, such as roof, plumbing, asbesto removal, etc., and Capital Improvements/Debt Service, and older building need major investments, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners canNOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:
8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cashflow.
During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

From: bbs mit[redacted]
Sent: Sunday, March 27, 2016 6:27 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: Vote NO to CPI

Dear Honorable Mayor/ Council Members,

As a resident and investor who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

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As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the
capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Michael Ji

From: House4saleandrent[redacted]
Sent: Sunday, March 27, 2016 9:19 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: "NO" to annual allowable rent increase on CPI-U!

Dear Honorable Mayor/ Council Members,

As an investor/real estate agent who cares about our City, San Jose, heart of Silicon Valley, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

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As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too

From: [redacted]
Sent: Sunday, March 27, 2016 9:51 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: Against further change to RC in San Jose

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, also there are lots of not normal operating maintenance expenses, such as roof, plumbing, asbesto removal, etc., and Capital Improvements/Debt Service, and older building need major investments, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners canNOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:
8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cashflow.
During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the
capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Jiaheng Liu

From: [redacted] <[redacted]>
Sent: Sunday, March 27, 2016 12:00 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: Against further change to RC in San Jose

Dear Honorable Mayor/ Council Members,

I am a small property owner is San Jose, and I have a full time job as well. I understand there is a rental issue, but I don't think the rent control/just course is a good solution.

I understand it's not easy with increasing rent. One of my tenant works 80 hours per week to pay their bills and have a better life. I respect people like him, and they make our city better. I only increased him rent by $50 last year, which is way below the 8% cap and the market rent. But I do need 8% cap for extremely case when something unexpected happens. Without this guarantee, it will be easily for me to be out of business.

It's not easy being a small property owner. I need to take care of the property to make sure it's functional, and clean. Every once in a while, there are people dump stuff to my property. On one of the day in Xmas Eve, I was dealing with the sofa and mattress people dumped in my property, and I got a phone call from my sister asking me how I celebrate. I told her you couldn't imagine what I have been enjoying… Every year the cost of utilities, tax, and repair goes up, with the new rent control cap, I can only repair the barely minimum, without any luxury to make it look better.

I don't think people, including the tenant, the community or the city like to see run-down properties because of CPI. Or even I will either withdraw my property out of market or be out of business because of the CPI limitation. The supply of housing will be even worse in San Jose. I think the city should support the small property owners to make it cleaner, and better.

Best regards,

Able

From: [redacted]
Sent: Saturday, March 26, 2016 11:50 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: Against further change to RC in San Jose

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As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

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Higher allowable rent increase is necessary for the following reasons:
8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cashflow.
During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

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Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

Best regards,

Able

From: [redacted]
Sent: Sunday, March 27, 2016 10:22 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: Oppose "Just Cause Eviction"

Dear Honorable Mayor/ Council Members,

As a resident/voter/investor who cares about our City, San Jose, I urge you to say "NO" on "Just Cause Eviction".

If San Jose Rental Control adds "Just Cause Eviction", all good residences, homeowners, and landlords will be impacted negatively by this "lose-lose" policy. And, you will lose tens of thousands of the voters' supports!
There is no need "Just cause eviction" at San Jose. Average 70 complains per year on rent increase over 44000 units amounts to 0.16% of complains. Most complains at average 200 per year are related to service deduction, not rent increase. The complain about "no cause eviction" are even less at average 30 complains per year, out of 44000 ARO units, so average less than 0.1%.

In fact, there is no intention for landlord to evict good tenants. "Just Cause Eviction" would make it difficult to evict tenants engaged in illegal activity and may endanger other residents when a problem tenant lives nearby. When bad tenants stay and good tenants leave, our communities will become less safe. Please look at SF, Berkeley, EPA, they have higher crime rates after they implemented "Just Cause Eviction". "Just cause eviction" will stop more investors to enter San Jose...
The main purpose to implement a new San Jose Rental Control is to permit owners a fair and reasonable return on the value of their property while protecting tenants from excessive and unreasonable rent increases. The main purpose is to solve any issue instead creating more issues. However, "Just Cause Eviction" only creates more problems. Please reject "Just Cause Eviction." for San Jose residents/voters.
1) "Just Cause Eviction" requires any eviction to have a "cause".
2) "Just Cause Eviction" would make Landlords virtually powerless to remove tenants, such as drug dealers, gang members, and abusive tenants for criminal activity or abusive behavior if they can't find someone to testify in court since people are afraid of troubles and threatens.
3) "Just Cause Eviction" often leads to tens of thousands of dollars legal fee.
4) "Just Cause Eviction" would keep the bad tenants while force the good tenants to leave and make the whole neighborhoods suffer.

Even with No Cause Eviction, no landlords want to evict any good tenants for following reasons:
Vacancy
Remodeling fee
Several month free rents
Thousands of dollars of legal fee

There is no intention for landlords to evict tenants because UNDER CURRENT ARO, RENT CAN'T BE INCREASED IF PREVIOUS TENANT DID NOT VOLUNTARILY MOVE OUT.

Use Farook & Malik as an example
They were renters with no criminal record.
Their neighbor said they had very suspicious activities a few days before.

What should you do if they are your tenants?
With just cause eviction, you can't evict them because you don't have evidence.
Chance is when we have to wait the tragedy happens. Does our city welcome another San Bernardino event happen in our neighborhood?
Who benefit jCE: The city?
No. The city/court would have to use a lot more resources for just cause litigation/mediation
The landlord?
No. Landlord would have to pay a lot more attorney fees, and become self-learned CIA to get evidence
The good tenants?
No. Landlords want good tenants to stay. Good tenants will have to suffer because of bad tenants.
The problematic ones: criminal, nuisance & no-paying rent tenants, etc?
YES, they are difficult to find a place with a stigma. They have nothing to lose.
Should we encourage problematic tenants to stay and affect good tenants' peaceful life?
What is landlords' role? Welfare philanthropists?
The city is to protect and promote the public's health and safety. Does just cause ordinance achieve the objective?

Please say "NO" on "Just Cause Eviction".

Thank you,
Jiaheng Liu

From: I s[redacted]>
Sent: Sunday, March 27, 2016 11:39 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: Against further change to Rent Control in San Jose

Dear Honorable Mayor/ Council Members, As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%. Otherwise, small landlords will be forced out of business & will face foreclosure very soon. The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

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From: I s[redacted]
Sent: Sunday, March 27, 2016 11:57 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: Opposition on "Just Cause Evition"

Dear Honorable Mayor/ Council Members,

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Should we encourage problematic tenants to stay and affect good tenants' peaceful life?
What is landlords' role? Welfare philanthropists?
The city is to protect and promote the public's health and safety. Does just cause ordinance achieve the objective?

Please say "NO" on "Just Cause Eviction".
Sincerely,
Anna Huang

From: l s <[redacted]
Sent: Sunday, March 27, 2016 12:02 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: Oppose Rent Control Ordinance

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter in San Jose, I am deeply troubled by the proposed amendments to the city's Apartment Rent Ordinance. The proposed regulations will jeopardize safe, quality housing for our residents.

The change in proposed rent and eviction provisions is not necessary and not worth to do. They will make both tenants and landlords's life worse. No one can deny that we do not have enough housing to meet demand. The only way we can address housing affordability is to make more housing available and support the construction of more housing for families of all income levels. San Jose doesn't need 30 new employees to regulate the housing industry that will cost too much taxpayer's money. Stricter regulations won't solve our problems.

Sincerely,
Anna Huang

From: guoxian he [redacted]>
Sent: Sunday, March 27, 2016 1:13 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: "NO" on "Just Cause Eviction"

Dear Honorable Mayor/ Council Members:

As a small landlord, I care about San Jose city Rental Control status. I urge you to say "NO" on "Just Cause Eviction".

If San Jose Rental Control adds "Just Cause Eviction", all good residences, homeowners, and landlords will be impacted negatively by this "lose-lose" policy. And, you will lose tens of thousands of the voters' supports!

There is no need "Just cause eviction" at San Jose. Average 70 complains per year on rent increase over 44000 units amounts to 0.16% of complains. Most complains at average 200 per year are related to service deduction, not rent increase. The complain about "no cause eviction" are even less at average 30 complains per year, out of 44000 ARO units, so average less than 0.1%.

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Sincerely,

Joe Guo

From: David Yan <[redacted]>
Sent: Sunday, March 27, 2016 4:32 PM
To: The Office of Mayor Sam Liccardo
Cc: Grabowski, Ann; City Clerk; David Yan
Subject: Opinions and concerns about rent control modification staff recommendations

Dear Mr. Mayor:

I am writing this email to you regarding the proposed San Jose rent control ordinance modifications. I learned that on April 19 there will be a city council meeting in which the council members will vote on the proposed modifications. In the past few weeks I learned about some of the proposed changes and I am very concerned about those proposals.

I own a few rental properties in San Jose. All my rental properties are single family houses. So the current rent control ordinance does not really affect me much. However, As a concerned citizen who has been living in San Jose for the last twenty one years I'd like to share my opinions on this matter because I feel we are in completely wrong track in attacking the housing shortage problem that the entire Bay Area is currently facing.

No one can deny that in recent years the rental cost in all Bay Area cities are increased significantly and some tenants feel the pain. The fundamental reason behind this phenomenon is the imbalance of supply and demand. Bay Area has been very successful in attracting high tech businesses. Plenty of job opportunities drives a lot of people moving in. The construction of housing cannot keep up with the increase of the population. This caused the rent to increase. Lately I saw a lot of multi-level apartment buildings and mixed-use buildings being constructed everywhere in the Bay Area, and I believe they eventually help to release the housing pressure. The government policy should encourage such business activities. However, if we pass unreasonably strict rent control ordinance, we send business world a wrong message, and it ultimately discourages the construction of new apartment buildings and complexes. This will cause the housing market to get worse.

Among the staff recommendations to rent control modifications I found two unreasonable items: 1) Just cause eviction, and 2) Tie rent increase limit to CPI-U. In my opinion, just cause eviction does not help tenant, it only helps to promote attorney business and hurts the housing business. Ultimately the increase of the property management cost pushes the rent to increase more. Tying rent increase to CPI-U is extremely unfair to the landlords. When we are in the up market we should always bear in mind that market goes up and down. In the down market the ordinance cannot guarantee landlords stable rental income. They have to take loss for property vacancy or rent decrease. So I think tying the rent increase to CPI-U is too extreme, and does not provide equal protection to everyone. In fact if we look at the surrounding cities. I know that recently Mountain View had similar proposal and it was rejected by its city council. The city of Mountain View decided on a fixed number of 7.2%. This provides an excellent reference to San Jose when we face the similar issue.

Thank you very much for spending time reading my email. I hope my input is useful to you when you make your voting decision on April 19 meeting.

Best regards

David Yan
San Jose Resident

From: David Yan <[redacted]com>
Sent: Sunday, March 27, 2016 4:41 PM
To: Jones, Chappie
Cc: Grabowski, Ann; City Clerk; David Yan
Subject: Opinions and concerns about rent control modification staff recommendations

Dear Mr. Jones,

First of all, please allow me to introduce myself. My name is David Yan. I currently live in district 10. I have a house in west San Jose. Since my daughter goes to a private school in that area, I plan to move to that house next year so that we can be closer to her school. I read about you in sjdistrict1.com and felt excited that you will represent our interest in the city council. I look forward to meeting you someday.

Today I am writing this email to you regarding the proposed San Jose rent control ordinance modifications. I learned that on April 19 there will be a city council meeting in which the council members will vote on the proposed modifications. In the past few weeks I learned about some of the proposed changes and I am very concerned about those proposals.

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Thank you very much for spending time reading my email. I hope my input is useful to you when you make your voting decision on April 19 meeting.

Best regards

David Yan
San Jose resident

From: fred ling <[redacted]
Sent: Sunday, March 27, 2016 5:47 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Cc: City Clerk
Subject: Concern Citizen against Rent Control!

Dear Honorable Mayor,

As a voter who cares about our City, San Jose, I strongly urge you to say "NO" to annual allowable rent increase on CPI-U. In fact any rent control is not good for our city.

Rent control is an economic text book case of bad regulation. It drives away investment making long term housing shortage a permanent scene in San Jose. It reduces tax revenue and increase police duty at the same time. Other communities that adopt rent control are considered to revoke rent control measures. Negative effects of rent control are well documented. It is against the spirit of Constitution of this great nation and capitalism. It is a communist measure which is failure proven.

Landlords invest their hard-earned after tax life time saving to provide housing, running risks of any normal business. They have to put effort and money to maintain a decent place for the tenants. They pay income tax, property tax, mortgage, maintenance out of rental income. They are entitled to a fair market return as in any other business. They are not getting the rent for free as some tenants perceived. Tenants do not see fully the cost of tax, maintenance, mortgages, and efforts that put in to a rental property.

Rent control is an income limiting measure. San Jose income rises at much higher pace then the national average and the CPI. In fact, San Jose has one of highest income and income growth in the nation. San Jose does not erect laws that limit income of its citizens and any other small business like plumbers. It wants to erect measure to single out a small group of citizen for they provide housing at a fair market price to the others. It is a law that forces many of landlords into bankruptcies; many will lost their live time savings. It is cruel and unusually punishment just for providing housing at a fair market price and contributing to prosperity of San Jose!

People come to Silicon Valley for higher pay jobs, great and safe community, and better lives. Higher rent reflects the prosperity of San Jose. Higher income naturally attract more people to San Jose, thus have higher cost of living. But the higher income is more then compensate higher rent. Cost of maintaining a property rises among the highest of the nation, not the CPI! It is unfair and unpractical to tight rent to CPI. It is unfair that landlords are forced to loss money into bankruptcy while residents including tenants enjoy highest income and income growth in the nation.

We all experience good times and bad. Many landlords suffer lose a couple years back in a downturn since 2008, yet they stood firm for San Jose. It is unfair that when good time comes, they are single out to recoup the loss from bad times. The landlords invest in San Jose. They have to bear the pain of any down turn. Landlords contribute to the prosperity of San Jose. They should not single out to force them into bankruptcy, lost their life saving they work so hard to build up and contribute to our society.

The spirit of San Jose and America is freedom and entrepreneurship. We as a nation should not enact laws that put one group of citizens against others. Landlords are law binding, tax paying citizens. They are no criminals! In the spirit of capitalism, they their hard earned after tax dollar to invest in San Jose. They shoulder the responsibility of citizens; they should have the same right as the other. They are entitled to fair market return in labor and in investments as any other citizens. Current rent control ordinance denies landlords' right while requires them to shoulder tax, maintenance, and mortgages. It is against freedom of America. It robs from our law binding citizens to give to other. Does it mean that we could enact other laws that take money from one group and give to the other? Landlords do not get their houses by robbing other citizens. Buying a house is not a criminal activity, neither is rent them out. The city should encourage investing in San Jose instead of driving investment away.

It is natural that tenants like to see lower rent. On surface, rent control seems to be the answer. But rent control is doing exactly the opposite. Forcing many landlord no be able to proving housing, rents have rise for the long run. We all like to have free lunch, but no one believes in declaring lunch be free actually gets us free lunch. We all know declaring lunch must be free means no lunch. It is insane to think forcing free lunch will get us more lunch! It is naïve to think rent control could provide more housing, and actually lower the rent. It is just the opposite!

While the City do not control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, also there are lots of not normal operating maintenance expenses, such as roof, plumbing, asbestos removal, etc., and Capital Improvements/Debt Service, and older building need major investments, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

Rent increase tight to CPI does not reflect the reality of San Jose and Bay Area. The wage growth and cost of maintaining a decent housing are among the highest in the nation. They are much higher then CPI. Just like any business, landlords must have enough cushions for needed repairs and any unexpected events. Rent control will force landlord not be able to provide decent homes for their tenants, neither do they afford to pay mortgage. It will reduce rental units available in the market. It will force the many into bankruptcy. A single foreclosure will affect home value of whole neighborhood, let alone many foreclosures. It could create financial crisis that rent control laws are totally responsible. Eventually the whole neighborhoods run down, crime goes up. Tax revenues will decrease as all home values in San Jose decrease. San Jose will not have enough police, firefighters, and services to residents of San Jose. Rent control will devastate San Jose!

Higher rent is a sign of shortage. Rentals did not get enough investment and encouragement. There are not enough rentals in the market to satisfy the need. As more units come to market, rents will eventually come down. Had not landlords stood firm and believed in San Jose in hard times of 2008, rents would be even higher. Now the city wants to punish doing the right thing.
Rent control is just doing the opposite. It is because we did not invest enough in San Jose, that we have a shortage in housing. Rent control drives away investment, discourages more rental units to serve the community. No more investment will be in housing if rent control is adopted. Rent control actually drives up rents, not lower them! Lack of new investment in housing could put many more without a roof over their heads. Only few who get in have the benefit while more suffer.

Higher rent is a sign of strong demand, an indicator of our strong economy and dynamic beyond national average. It attracts more investment to our community to provide more housing and eventually drive down rents.

It could be understood that a small fraction of tenants are unhappy with current situation which is cause by not having enough landlords and housing for people coming to San Jose and Silicon Valley. Rent control actually limits supply of rental units in the market making the situation worse not better.

We understand some tenants are under pressure. We believe overall many are doing better then a few years back. City could educate renters and the public on the negative effects on rent control. From increased property tax and other revenues, San Jose could give reasonable assistants to those truly needed, attract investment in housing by giving subsidies to landlord renting to those truly in need at fair market price. We have subsidies to farmer in agriculture, why not helping landlords and tenants.

Lincoln united the nation even after the civil war; we should not enact laws that put one citizen against other? Rent control is against our ideology of this great nation and our Constitutions.

Again, I strongly urge you to say "NO" to annual allowable rent increase on CPI-U. It is a measure that drives investment away; limits supply of available rental units, and raise rental prices. It destroys lives of many hardworking, law binding citizens. It reduces our property tax revenues on all homes which mean less police, firefighters, and teachers. It divides our city and puts one citizen against the other. It is against our ideology of free market economy, freedom. It will run San Jose down in the long run!

Best regards,

Fred Ling

Mar 27, 2016

From: Melanie Lee [redacted]
Sent: Sunday, March 27, 2016 7:28 PM
To: City Clerk
Subject: letter from landlord

Dear Honorable Councilmember:
As an investor, I care about San Jose city, I urge you to say "NO" to annual allowable rent increase on CPI-U.

1. The annual allowable rent increase on 100% CPI-U, which is around 2-3% now, is way too low. MNOI is too complicated to small landlords and no guarantee to be approved by city. CPI-U annual rent increase will make small landlords out of business. Here is the analysis for our cost increased each year:
Vacancy (5% at economy booming and 20% at economy recession);
Property Tax (2% increase, plus new parcel tax);
Water & Sewer (20% increase);
Garbage (5% increase);
PG&E (10% increase);
Insurance (10% increase);
Repair, minimum (10% increase) including Plumbing, electrical, appliance, etc;
Other Expense, such as sidewalk repair (10% increase); cleaning: illegal dumping (10% increase) from other random people
Minimum repair & paint due to tenants' moving out (10% increase)
2. The cost to run MNOI from city is too much. It is better for city to have that money to support low income family for rent.
3.Following are the reasons for much higher allowable annual rent increase:
8% is just like an insurance to small landlords to deal with extreme cases, such as bad tenants' costly damage of property, throwing garbage everywhere, fine from city for tenant's misbehaves, etc. Landlords can't increase rent or even lower the rent during downturn of economy. No reimbursement from city. The CPI will only punish landlords without any protection. 8% will help make up the lose from downturn time.

4. The proposal is full of tedious requirements on the owners. For instance, page 11, B-2, in addition to the normal 30/60/90 day notifications, Owners need to provide new tenants break down of rent, including base, and fees, also inform the tenant of any banking of the rent charges accumulated from previous down years, etc, etc. These tedious requirements put undue burden on the small landlords and it is very easy for them to make mistakes, resulting in legal charges or penalty!

5. City estimated that these complications will result in 30 FTE which is a very high pay. These positions come with huge benefit and fat retirement checks, which will cost 4.5 million! This money can definitely use for families in need. It is a " lose-lose" suggestion to put additional burden on small owners on a program that can't benefit any families in real need.
Thank you for your attention and help!
Sincerely,
Chunyan Wang

From: Kannekka Gurumurthy <[redacted]
Sent: Sunday, March 27, 2016 10:01 PM
To: City Clerk
Subject: Reject any change to the ARO

Dear Mayor and Council members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals to change the ARO.

Sincerely,
Kannekka Gurum

From: SaraK[redacted]
Sent: Sunday, March 27, 2016 9:46 PM
To: City Clerk
Subject: Reject any change to the ARO

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Sara Kan

From: Kannekka Gurumurthy [redacted]
Sent: Sunday, March 27, 2016 10:20 PM
To: The Office of Mayor Sam Liccardo
Subject: Oppose Stricter Regulations on the Rental Housing Industry

Dear Mayor Liccardo & City Council Members:

As a San Jose rental property owner, I urge you to oppose stricter regulations on the rental housing industry as these proposals will not create more affordable housing opportunities. In fact, these regulations would jeopardize safe, quality housing for our residents.

I am a responsible landlord and follow the rules of the law. It is my hope that you will determine as I have that we don't need punitive rent control regulations or an eviction-for-cause ordinance.

Punitive rent control measures lead to troubling consequences. There is an increase in the deterioration and under-maintenance of rent controlled rental units as owners reduce or eventually abandon upkeep, creating more dangerous neighborhoods where rental housing is clustered.

I know it is illegal to evict tenants in order to raise rent. If there are landlords who are skirting the rent control laws, then the city should punish them. Do not punish me by taking away my ability to provide my good residents a safe community. Let's continue to preserve strong San Jose neighborhoods and protect good tenants by allowing owners and managers to effectively manage their properties.

No one can deny that we do not have enough housing to meet demand. The only way we can address housing affordability is to make more housing available and support the construction of more housing for families of all income levels. Stricter regulations won't solve our problems.

I urge you to focus on meaningful solutions that will keep our economy strong, our communities safe, and provide quality and affordable housing opportunities for all residents.

Sincerely,
Kannekka Gurum

From: Anne Rabbit <[redacted]
Sent: Friday, March 25, 2016 1:47 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; Fedor, Denelle; City Clerk
Subject: Against CPI!!!

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, also there are lots of not normal operating maintenance expenses, such as roof, plumbing, asbesto removal, etc., and Capital Improvements/Debt Service, and older building need major investments, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners canNOT!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of

their existing business practice – they do not increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:

8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cashflow.

During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice. In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the

capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure

March 2016
The Truth About Rent Control

RENTAL HOUSING NETWORK

By Sandy Adams
President, Rental Housing Network

"Those rich, greedy rental owners should share their wealth and give me the low rent I deserve, because I don't make as much money as they do." This is the sentiment of many comments I've read in newspapers and blog posts. While rent control sounds good in theory, it actually hurts those it claims to help. So, if you don't want to know the truth about rent control, you should stop reading right here.

Myth: All apartments in San Jose are under the rent control ordinance.
Fact: Only one-third of the rental units in San Jose (the older buildings) have limitations under the ordinance. All other units built after September 1979 (the large complexes) are exempt and cannot be added to the ordinance. Houses, duplexes and those with government subsidies are also exempt.

Myth: Stricter rent control will bring down rents.
Fact: If anything, stricter rent control will raise rents. Think of it like an inflated balloon. The tighter you squeeze the bottom, the more the top expands. When there are no low-rent apartments available it opens the door to large apartment complexes to raise their rents because suddenly they're the only game in town.

Myth: Tighter rent control will help provide housing to low-income tenants and those who are homeless.
Fact: Quite the opposite is true. The only tenants who benefit from tight rent control are the ones in place at the time the strict policies go into effect. Someone who is living in rent controlled housing has no motivation to move knowing their rent cannot increase annually more than a minimal amount. If they don't move, where will all the other prospective tenants go? That's the problem. When rents are locked in, tenants don't move out. This leaves nowhere to go for other individuals looking for housing.

Myth: San Jose rent controlled units are only for low-income tenants.
Fact: Many techies, professionals and middle-management individuals live in rent controlled units. There is no maximum income limit.

Myth: Tenants are being illegally evicted so owners can raise rents.
Fact: 1) When a tenant receives a 90-Day Notice to Vacate tenant advocates like to call it an "eviction" because the term sounds so harsh. An actual eviction requires a legal process and a judge to rule in favor of the plaintiff (owner). 95% of all evictions are for nonpayment of rent.*
Fact: 2) It is a violation of the current ordinance to terminate a tenancy for the purpose of increasing the rent. If a renter believes their tenancy has been terminated improperly for this reason they can file a grievance with the San Jose Housing Department and seek compensation for displacement. In addition, there are numerous nonprofit organizations that assist low-income tenants who allege unfair treatment or termination.

Myth: Tenants fear retaliation when reporting violations or loss of services so they stay silent.
Fact: This may be true in rare cases but there are state laws in place to protect tenants from rental owner retaliation. Additionally, there are a number of non-profit legal aid services available to advise and help low-income tenants.

Rent control does not add even one more unit to the available housing stock.
One thing we can all agree on is that we need a lot more affordable housing for low-income tenants.
So let's work together and build!

From: LiDong [redacted]>
Sent: Friday, March 25, 2016 11:23 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; Fedor, Denelle; City Clerk
Subject: Please say no to the new RC

Dear Honorable Major and councilman:

As a resident and small fourplex owner of city of San Jose, I am strongly oppose the current ARO recommendation from the housing department tie rent increase to CPI.
1) There are only 44000 ARO unit which is only about a third of the supply. These are older apartments build before 1979, mostly owned by small mom and pop operators. Since these are older, the rent is at the bottom of the market.
2)The Preliminary report, There are many MISLEADING information. Example: The ARO rents increased at fast rate the market rents, Which is not ture. Most of the ARO rents is below the market rent; The "Average San Jose Rents" as of Q1 2015 is $2227. This is a basis to start the entire process, however this $2227 is not the "Average San Jose Rents", it is actually the "Average Entry Rent".
3) The new recommendation from housing tie rent increase to CPI, and ask to establish a huge housing registry department cost five million dollars a year with 30 FTE. Small operators has to register rent/forms of each unit, has to track banking of each unit during down years, and compare with MNOI etc etc. This is a huge task that is beyond most mom and pop owners, and is way too complicated. Is this a power grab by Jacky so that she could be some big housing director? I don't see this achieve anything else.
4) The housing department's own consultant report clearly state that ARO unit rent went from $628 to $1388 in 25 years. This is roughly the rate of inflation! The high rent that people see on paper are all from the large apartment which is not subject to ARO. Why using this excuse to punish the 100% of small mom and pop owners who are hard working, law biding and tax paying members who can least afford this?
As a first generation immigrant, I believe hard working and property ownership and fisical responsibility. Please do not create another entitlement program on the back of hardworking small owners. This rent "crisis" is due to short supply, and the high rent is due to the two third apartment units build after 1979 who are not subject to ARO anyway, no matter how much bureaucracy you want to pile up on us.
I think keep the old RC is the right thing to do. Please don't support the rent increase tie to CPI. It is not fair, Actually, squeezing ARO hard only achieve the opposite。 like in SF， owner will let unit sit instead of put it on the market and risk negative income. Or worse, small owner sell to developer who can afford to tear down and rebuild to charge more and out of ARO so the number of ARO unit could shrink rather then help ....

Best Regards

Dong

From: Chunchi Ma[redacted]
Sent: Friday, March 25, 2016 11:13 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; manh.hguyen@sanjoseca.gov; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; danelle.fedor@sanjoseca.gov; City Clerk; Grabowski, Ann
Cc: Adeles Fan
Subject: the new rent ordinance for SJ is both unfair and unnecessary

Dear Honorable Mayor and Council Members and City Staffs:

My name is Chunchi Ma, a concern citizen of SV, and small housing and job providers here in bay area. Firstly, I applauded city's recent action in helping to convert some run-down/shut-down hotels to solve homeless problem at SJ. I appreciate the chance to write and speak out again new ARO for city of SJ, with following reasons:

1. As we all realize, lack of supply is the root cause of the problem. From CA Realtor Assoc data, in city of SJ during the span of 2010 to 2015, there were 118k new jobs being created but only 23k new housing, so supply demand imbalance is the root cause of the problem. By setting artificial limit on rent increase, plus just cause eviction, will further constrain the supply and add fuel to the fire;

2. My background was engineering and now in financial/investment industry, I just love number crunching as data is NOT biased. Well, per Zillow survey of national economists, 64% said rent control won't work, only 2% support the idea. And per SJ own consultant report, only very tiny around 0.01% of the tenants made the complain about rent increase, out of 44000 ARO units. Coupling with the fact that, among about a dozen rent advisor committee hearings, landlords attendances outnumbered tenants by 5:1 to 10:1, all these tell me the rent situation in SJ is not as bad as someone tried to make it out to be, tenants have other higher priority than this subject;

3. Per SJ own consultant report, the rent for ARO units are about 1388, very reasonable, NOT the misleading >2500/month type rent which are from larger and newer complex, which are out of ARO control anyway. So why mess up something which is already working by market economy? The ARO rent increase limit of 8% is working, why mess with it? Just need to add teeth such as review board hearing making it mandatory for both sides, system should work.

4. Current cycle of economy expansion is in its 7th year, and there are many signs pointing to a possible turning point in the economy. When economy is booming, govt step in to cap the upside to help out tenants, but when down cycle is here, who will come to landlord's rescue? When we offer free month to fill empty units, do you think the bank will give us a break on mortgage payment? No...

5. As an investment professional, for example, your 401k investment, if your investment firm were to tell you that, your portfolio can only grow as fast as CPI, but there is no floor on the loss, can be infinite, will you still invest there? I was recently approached by a broker about a great off-market deal at SJ downtown. close to SJSU, building a bit run down but cash flow and cap very good. However, if SJ passed new ARO ordinance, deal is off, and I believe I am not alone in this situation. What is the outcome? SJ will be stuck with more run down buildings as landlords are slow to do necessary R&M, since unable to recover the investment since rent increase is capped.

6. Housing dept in SJ has to realize that, running and admin such complex program in SJ will be very

costly, based on what we learned from Oakland, Berkeley, etc. Housing dept will needed to be expanded to maybe 50 staffs and tens of million of dollars in budget to setup the complex monitoring and execution system of proposed new ARO ordinances. Such amount of money, in my view, can be better spent on: beefing up permit dept and making it more efficient, maybe adding high density zoning, incentives for landlords to keep rent lower than market, like other cities chipping in and work with local developers to build more affordable housing to critical city staffs/employees/teachers/firefighters, making Govt bigger with more program is NOT the best way in spending tax payers $$

7. My personal story of normal eviction process of unpaid tenants, costing me of 6 months unpaid rent, plus lawyer fee of 4500, and cleaning out and rehab of the unit after they left in Feb another few grands, total cost close to 20k, does CPI can accurately capture such operating cost to landlords? NO. CPI is just a measure of the average price increase, BUT it is NOT tracking the cost of business operation (after tenant left, turning over of an empty unit is very costly) very accurately. You can talk to any contractors here in bay area, if you told them they can only increase their fee by CPI year over year, they would have laugh at you, and you won't be able to find anyone to work on your rehab/remodeling projects

8. At the end, I think the current ARO system in place is in good shape, 8% allowed limit is reasonable. If city had to act, I also understand, but please NOT to CPI, maybe 6% range is reasonable (San Leandro is 7%), also please reject just cause eviction. Look around FBI report, those cities with JCE, end up always on the top of the list of cities with the highest crime rate, since no landlord in their right mind, don't want to keep good tenants, since each turn over of unit, costing about 2 weeks downtime of lost rent and remodeling cost, often in thousands of USD. Once JCE enacted, then bad tenants are able to stay while driving good ones away, and landlords are the last one holding the bag!!

I encourage the city to think outside the box, creative and constructive solution to the housing problem, landlords and tenants are not enemy, we can work together, and the common thread, is NOT more rule and regulation on rent control, but finding way to increase the housing stock/inventory, especially in the affordable housing aspect,

Thank you very much for your patience in reading this long email and your understanding where we are coming from, the concerns from small mom and pop housing providers, with respect to the proposed new ARO ordinances.

Best Regards,

Chunchi Ma

From: Dan Flees [redacted]
Sent: Friday, March 25, 2016 10:41 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; District 10; Fedor, Denelle; City Clerk; Grabowski, Ann
Subject: Please reject "Just Cause Eviction"

Dear Council Members,

As small landlords who work hard to manage our rental properties, I urge you to say "No" on "Just Cause Eviction".

I would like to give you a small landlord's perspective on the prospect of tightened rent control ordinance(s) in San Jose being proposed and considered by the council. We got into the rental business in hopes of funding our kids' college education. We purchased a few single family homes and duplexes over the past 7 years, including one duplex in San Jose. For each property when we purchased it, the return on investment was minimal. We were counting on slow steady increases in rent, rise in property value and slow payoff of the mortgages. Our rents are generally slightly below market and we don't raise them much year-over-year when we have good tenants. If San Jose Rental Control adds "Just Cause Eviction", all our good tenants and us will be impacted negatively by this "lose-lose" policy.
The proposed "Just Cause Eviction" is a poor policy direction. What is it really trying to accomplish? Look at cities that have this policy around the country ... , for example, San Francisco and Oakland, rental market in those places are far worse than what it now in San Jose. As a matter of fact, there is no intention for landlord to evict good tenants. "Just Cause Eviction" will make it difficult to evict tenants who have engaged in illegal activity and may endanger other residents in the neighborhood. In this situation, the good tenants will move out and leave our community deteriorated. When the rental market doesn't grow organically, we all have to pay for the price!

Regards,

Daniel Flees / Annie Liu

From: Kari Neves <[redacted]
Sent: Friday, March 25, 2016 12:05 AM
To: City Clerk
Subject: Apartment Rent Ordinance (ARO)

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Kari Neves
Community Manager
Hidden Willows Apts
[redacted], San Jose, 95126
[redacted]
P Reduce, Reuse, Recycle.

March 28/16

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

(Rose Tagami [redacted]

From: Roger Pennington [mailto[redacted]
Sent: Wednesday, March 30, 2016 2:42 PM
To: Roger Pennington [redacted]
Subject: Your solution for a few bad apples is bad for the orchard,

Housing representatives:

With all due respect

Sometimes the cure for ants is worse than just the ants.
A few ants are more safely monitored than spraying pesticides all around the park that others may be sensitive to.

We aren't children, we want facts. What bad apples are you talking about? How many and where? What were the details?

Owners know more about their business than you know. We may have legitimate reasons for what you call the bad apples.

If there aren't that many bad apples, big bureaucracy isn't needed to fix this orchard. Your recommendation is not the solution.

Renters had a bad year. So did the banks, the home loan industry, the grocery stores, and every other business in the country.

You are biased and have nothing to lose and everything to gain with your assertions for which I have not seen the basis.

Housing is just looking for problems to justify their existence.

This ARO is retaliation by Housing on behalf of and for tenants. San Jose won't be helped by your recommendations.

From: Maxine Lubow [redacted]
Sent: Wednesday, March 30, 2016 12:04 AM
Subject: My questions for the ARO people

My question for the ARO people is: What are you trying to accomplish with your proposed drastic rent control changes?

Do you think more apartments will be available at lower prices? No. Do you think just-cause evictions at your discretion will make our building safer for tenants? Certainly not. At least some sanity seems to in place and just-clause eviction seems to be off the table.

The results in unfair controls on rents and evictions will be: buildings will not receive the attention to roofs, painting, repairs that are not absolutely necessary.

Over time, people will not be leaving their apartments because rents are so low that they can't possibly afford a better place. If they are upwardly mobile they still will not be able to afford a house, because home prices will not be going down.

The homeless will still not be able to afford apartments. We need more housing built that consists of small 350/400 sq. ft. apartments buildings that are rented for a lower price to accommodate the lower income people.

Your plan requires 30 new employees which will be paid for by some scheme from the apartment owners. You have already installed a three tier system punishing anyone who buys a rundown building and redoes all the apartments by keeping them in Tier 3 – so where is the incentive for new owners to remodel buildings?

We personally bought one of these buildings and put on a new roof, added skylights for safety, all new double pane insulated windows, remodeled as many of the units immediately as we could afford with the current low rents. Even with the current pass through regulation, we were only able to increase the rent by 10%. and now you plan to take away the 8% which we need to finish the other units and reside and repaint the building to make it great for our tenants. Where is the justice in that? Even with all of these improvements

We have taken out water consuming lawns in all our apartments and put in rock, cactus and succulents which require little water, but our water bill is 2-1/2 times higher than it was before we did the work. Now what percentage is San Jose Water increasing with no restraint? This type of inflation is not included in the CPI.

Even though 8% is allowable, we do not use that figure all the time. In many years we have done no increases. In some years 4% or 5%, tailoring it to the tenant and how well they are taking care of their apartment when we do our inspections. This is as it should be. Those who take care of things are rewarded and those who have constant service calls because they are not taking care of things might get 8%. That's how the world works – rewards for good and not so much for bad. The good tenant calls immediately if they have a leaky faucet – the bad calls and says it's been leaking for three weeks and I just found time to call you!

I could go on and on, but the only thing you seem to hear is the City has to control the landlords. Then we can become a SFO and all the problems they have with their oppressive rent control. We owned a building in SF for

thirty years and had the same tenants the entire time. Because of their rent oppressive control, some tenants were paying less than 25% of market rent. This becomes very unfair to the landlord.

Maxine Lubow – Hoping for a reasonable result in this difficult time.

March 30, 2016

To whom it may concern:

I would like to express my thoughts on your current efforts to change the rent control ordinance.

First, I would like to say that rent control is not good in the long term for the tenants. What it creates are people that are prisoners in their own apartments. These tenants are so used to paying below market rent, that they chose to stay in their apartments, even if it would be better for them to leave, because of life changes. I also believe this discourages home ownership and creates long term renters. The government should do everything it can to encourage home ownership, not renting.

Now for my personal situation, I own a 6 unit building in a low income area. I have great tenants who have all been in there units for 10+ years. The rent is all significantly under the current market rents. I have a Studio at $750, four 1 bedrooms at $900-$925 and a two bedroom at $1125. As you know the current market rents are between $1400 and $1800 on these units. Even last year when I decided to raise the rents, I only raised each unit by $50, which is less than the 8% I could have raised. I have chosen to keep my rents low and maintain good relationships with my tenants. I don't recall anyone talking about helping out the landlords in the early 2000's when rents where dropping and vacancies rates where high. The current 8% max is good it protects renters and allows landlords a fair return on investment. Even if you change the current rent control law, the current proposal is very unfair to landlords like me who have kept our rents low. We would be starting out with a lower baseline than the "greedy" landlords. So you would be unjustly punishing the "good guys".

The thing is, the rental property's I own, are my retirement savings. I don't have any saving in an IRA or a 401K. And I can't rely on social security. I am only 44 years old now, so I can still afford to keep my rents low. But I would like to raise rents over time so that I can retire when it is time.

I don't understand why you are coming after the landlords to solve the housing shortage. How about doing more to streamline the building process and encourage new apartments to be built. Or, if you really want to solve the problem, how about forcing a couple of big tech companies out of San Jose. The over inflated salaries that they are earning is the real problem. I know this would never be done because they are too powerful. It is easier to come after small landlords who can't afford to fight city hall.

Why is it that landlords, who provide a necessary service, are the only ones asked to submit to price controls? What about all of the other goods and services that people need on a daily basis. I have never heard of a call for price fixing at grocery stores. If this passes, it will seriously hurt me and my family's future, because I have kept my rents low and fair.

Thank you for your time,

Charlie Hardtke [redacted]

From: gladys huang [mailto[redacted]
Sent: Wednesday, March 30, 2016 8:53 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: oppose rent control

Dear Sir:

As me and my husband are approaching retirement age, we put our money into apartment expecting steady income to support our living. If the rent control happens then it is a big impact to our life.

As far as we know Mountain View has already stop doing rent control, we also think as San Jose is the closing by city should have the same policy.

We work very hard for our life and put our saving in apartment, We don't want to be other people and our country's burden. We think all the tenants should work hard and pay the market rent rate; otherwise San Jose will be the city lacking of momentum and will fall behind of other city. All the tenants live in San Jose will expect lower rent so they don't have to work as hard and also who wants to be the landlord with so many restriction from the City ????

We are good landlord, not only has spent a lot of money remodel the apartment and recently also spent a lot of money doing braces and bolted to secure the apartment in case of earthquake. If rent control happens , our income will be diminished so we can't afford doing much improvement anymore. as far as the repair cost , license fee and property tax , PG$E bill .....all increases every year, without any control !!!! They don't limit any increase amount they will charge then why should the rent be limited ????

We appreciate you hear our voices and seriously consider our concern, PLEASE STOP DOING THE RENT CONTROL !!!!!!

Sincerely
GLADYS HUANG

From: Joanne Norlin [mailto[redacted]]
Sent: Wednesday, March 30, 2016 8:58 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Please forward to San Jose Mayor and Councilmembers

Dear Mayor and Councilmembers:

As a Housing Provider, Resident and business owner in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Joanne Norlin

San Jose, CA

From: Jerrid Vannelli [mailto[redacted]]
Sent: Wednesday, March 30, 2016 10:19 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Opposition to the Recommendations by the Housing Department

Dear Mayor and Councilmember's:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Jerrid Vannelli • Vice President
Woodmont Real Estate Services
[redacted] • Belmont, CA
[redacted]
[redacted] • www.wres.com
BRE License No. 01863235

WOODMONT

From: M R Monajjemi [redacted]
Sent: Wednesday, March 30, 2016 4:04 PM
To: City Clerk
Subject: Letter to San Jose Mayor and Councilmembers

Dear Mayor and Councilmembers:

As a Housing Provider and business owner in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Mohammad R Monajjemi
San Jose, CA

From: Rentals [redacted]>
Sent: Wednesday, March 30, 2016 4:07 PM
To: City Clerk
Subject: Letter to San Jose Mayor and Council members

Dear Mayor and Council Members:

As a business owner in San Jose and a San Jose Resident, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Reza Monajjemi

[redacted]

From: Kubota, Suzana [redacted]
Sent: Wednesday, March 30, 2016 4:10 PM
To: City Clerk
Subject: Rent Control Opposition

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Suzana Kubota
Coldwell Banker Previews International
[redacted]
408.605.0094

From: Salas, Anna [redacted]>
Sent: Wednesday, March 30, 2016 4:12 PM
To: City Clerk
Subject: San Jose rent Control Proposal

Dear Mayor and Councilmembers:
As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Anna Salas

Anna Salas
Realtor
Cell: [redacted]
eFax: [redacted]
Coldwell Banker Real Estate
[redacted]
Saratoga, CA 95070
BRE 00431211

From: Kenneth Garrett [redacted]>
Sent: Wednesday, March 30, 2016 4:23 PM
To: City Clerk
Subject: Housing Provider in San Jose

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Kenneth Garrett

From: Peter Miron-Conk[redacted]
Sent: Wednesday, March 30, 2016 4:29 PM
To: City Clerk
Subject: DON'T CHANGE THE ARO

Dear Mayor and Councilmembers:

WHY ARE YOU TRYING TO STEAL MY HARD EARNED RETIREMENT - my wife and I have lived a simple life, not going to fancy restaurants, not taking expensive vacation, saving to provide for our children and for our retirement. We have raised 3 adopted children and now you want to take away our hard earned retirement. Why is it that a select few will bear an expensive burden to assist tenants , some of who make more than I do.

WHY ARE YOU ASKING A SMALL SEGMENT OF THE POPULATION TO PROVIDE ASSISTANCE TO A RANDOM SELECTION OF THE POPULATION. AFFORDABLE HOUSING SHOULD BE A COMMUNITY WIDE RESPONSIBILITY.

I'm 100% supportive of developing more affordable housing. Why doesn't the city address the affordable housing problem instead of picking on small, local, independent landlords. Silicon Valley tech growth is the cause of the housing shortage, why not make them pay.

I've owned two small buildings for approximately 15 years. After the dot.com crash rents fell more than 30 %. It was more than 6 years before rents recovered. Again during the Great Recession my rents fell almost 25%. With the current 8% cap I have 5 tenants who will not reach current market rents for 7 years or more. Most residential real estate is purchased at a low CAP Rate. Owners putting 25-35% of sale price down will likely not make any profit for 5-7 years under the current ARO. For half of the past 15 years I made virtually no profit on my rentals. During those years I spent hundreds of hours each year cleaning, repairing, maintaining and fixing up units with no profit, just to keep my costs down.

PLEASE DO NOT STEAL MY RETIREMENT

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Peter Miron-Conk

From: Joseph Villo [redacted]
Sent: Wednesday, March 30, 2016 4:35 PM
To: City Clerk
Subject: Apartment Rent Ordinance

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Joseph Villo

Joseph Villo CCRM
Community Manager
[redacted]
Sunnyvale, CA 94086
Phone: [redacted]
Fax: [redacted]
Email: [redacted]
Visit our rental portal at: http://miramar.eprodesse.com/

From: Lindsay, David <[redacted]
Sent: Wednesday, March 30, 2016 4:36 PM
To: City Clerk
Subject: the proposed rent control changes

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

David Lindsay
[redacted]
Saratoga, Ca. 95070
[redacted]
BRE #00927727
Selling homes since 1986

From: TON DANG [redacted]com>
Sent: Wednesday, March 30, 2016 4:52 PM
To: City Clerk
Subject: Apartment Rent Ordinance

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Tin Tin Investments LLC

From: Fran Turano [redacted]
Sent: Wednesday, March 30, 2016 4:58 PM
To: City Clerk
Subject: No to changes in the SJ rent ordinance

- The proposed changes will not help low income families--the very people rent control is intended to help. Rather it will help people who get a rent controlled unit to stay longer than they may need and prevent those who need the subsidy of rent control from getting it.
- Forcing owners to justify their profit in order to pass on capital expenses will deter owners from doing any more than the minimum they need to maintain their units. Additional red tape and bureaucracy isn't the answer.
- Reporting rents and renter info to the city jeopardizes the privacy of tenants.
- The staff ignored their own report that shows rents in ARO units are far below the average rent in San Jose. The reason this process started was because of concern that rents were $2500/mo+ when the City's own study reflects a far lower average rent.
- The City's own data on the minimal number of complaints filed by tenants is evident of a system that works.
- Tenants have anti retaliation protections under state law so we need to educate both sides on rights and responsibilities to reduce any fear, uncertainty and doubt.

From: Daniel Schiff [redacted]
Sent: Wednesday, March 30, 2016 6:07 PM
To: City Clerk
Subject: Opposition to apartment rent control

Daniel M. Schiff
KCD Financial Inc.
[redacted]
San Jose, CA 95128

Phone [redacted]

Securities offered by KCD Financial Inc.

Member FINRA/SIPC

**Security Alert: This message may contain information that is privileged and confidential. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or use of the information contained herein is strictly prohibited. If you received this transmission in error, please immediately contact the sender and destroy the material in its entirety, whether in electronic or hard copy format.

On Mar 30, 2016, at 4:09 PM, Maureen Ellenberg [redacted] wrote:

---------- Forwarded message ----------
From: **CAA Tri-County** [redacted]
Date: Wednesday, March 30, 2016
Subject: Rent Control: The Wednesday Update
To: [redacted]

Email not displaying correctly?
View it in your browser.

CALIFORNIA APARTMENT ASSOCIATION TRI-COUNTY
NEWS UPDATE

San Jose Rent Control Update

The City Council will review the Housing Department's proposed changes to the Apartment Rent Ordinance (ARO) in **twenty (20) days** from today. In this final stretch, it's important for you as a landlord to voice your opposition to the recommendations that the City has proposed. We have a draft letter below that you can use (and modify as you see fit) along with directions on how to submit it.

ARO Update:

The Mayor and Council need to hear why the proposed recommendations by the Housing Department will do more harm. City staff has proposed the most draconian form of rent control possible while ignoring hundreds of hours of input from rental owners about how the 8% cap allows them to maintain their units, stay in business, invest in their community while keeping rents low and stable. This email contains a template letter that you can use to voice your opposition. You should include personal experiences of how the proposed changes will hurt your tenants and your investment. And here are some talking points to help personalize your letter:

- The proposed changes will not help low income families--the very people rent control is intended to help. Rather it will help people who get a rent controlled unit to stay longer than they may need and prevent those who need the subsidy of rent control from getting it.
- Forcing owners to justify their profit in order to pass on capital expenses will deter owners from doing any more than the minimum they need to maintain their units. Additional red tape and bureaucracy isn't the answer.
- Reporting rents and renter info to the city jeopardizes the privacy of tenants.
- The staff ignored their own report that shows rents in ARO units are far below the average rent in San Jose. The reason this

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

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deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
(Your Name)

Dates to Remember

March 31 - Comments Due on Draft Proposal:
The deadline for the Housing Department to accept comments on their draft recommendations is tomorrow (March 31) by 5pm. This is your opportunity to voice your opposition to the proposed recommendations. Here is a link to the recommendations for you to review.

April 6 - Forum with San Jose Council Members:
Join us for our first Council Forum. We've invited a few members of the City Council to our office (1530 The Alameda, Suite 100, San Jose) to allow CAA members to have a dialogue on the proposed changes to the ordinance. Registration is required to attend, click here to register. For additional information on our Council Forum, please contact CAA Tri-County Executive Director, Anil Babbar at [redacted] x3509 or [redacted]

April 19 - Council Meeting on ARO:
The City Council will hear the final recommendations by the Housing Department on the Apartment Rent Ordinance during its *Evening Session* on April 19. It is critical that your presence be seen and heard. We encourage you to arrive early and grab a seat in the main council chambers. We anticipate that advocates for rent control will have a strong showing. Once the main chambers are filled, there will only be room to sit in a separate room where you will not be seen by Council. The meeting will be held at San Jose City Hall (200 E. Santa Clara St., San Jose).

Stay Connected:
We have setup a dedicated website where you can go to for information only on rent control in Jose. The website, http://www2.caanet.org/e/77272/2016-03-30/31mxjy/111647074 is your one stop shop on latest articles, draft letters and signing up to receive updates by email on the process. You are encouraged to visit the site, sign up and stay engaged.

Related Articles:

http://www2.caanet.org/e/77272/t-week-san-jose-mountain-view-/31mxk1/111647074
http://www2.caanet.org/e/77272/-rent-cap-city-staff-proposal-/31mxk3/111647074
http://www2.caanet.org/e/77272/ontrol-meetings-start-sept-30-/31mxk5/111647074

Forward this Message:

Share this alert with other San Jose rental property owners to make them aware of this issue. If you have questions, do not hesitate to contact CAA Tri-County at 408-342-3500.

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Our mailing address is:
California Apartment Association
1530 The Alameda, Suite 100, San Jose, CA 95126

update subscription preferences

--
Maureen Ellenberg [redacted]

Daniel M. Schiff
KCD Financial Inc.
[redacted]
San Jose, CA 95128

[redacted]

Securities offered by KCD Financial Inc.

Member FINRA/SIPC

**Security Alert: This message may contain information that is privileged and confidential. If you are not the intended recipient, you are hereby notified that a.ny disclosure, copying, distribution, or use of the information contained herein is strictly prohibited. If you received this transmission in error, please immediately contact the sender and destroy the material in its entire

From: Wilson Chang <[redacted]
Sent: Wednesday, March 30, 2016 7:07 PM
To: City Clerk
Subject: Rent Control For Small Landords

Dear Sir/Madam,

Please don't kill off small landlords like I who owns a 5-plex in San Jose. If the city limits the annual increase to only CPI index, we simply can't survive as our maintenance costs keep going up & away due to the aging of our old buildings. The CPI rental law will discourage small landlords like myself to modernize our properties. We will simply defer improvement till it makes economical sense.

We appreciate your understanding of being a small landlord.

Sincerely Yorus,

Wilson T. Chang

From: Faith Z [mailto[redacted]
Sent: Wednesday, March 30, 2016 8:23 PM
To: Nguyen, Tam <Tam.Nguyen@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; Kalra, Ash <ash.kalra@sanjoseca.gov>; Peralez, Raul <Raul.Peralez@sanjoseca.gov>; Nguyen, Manh <manh.nguyen@sanjoseca.gov>; Carrasco, Magdalena <Magdalena.Carrasco@sanjoseca.gov>; pierluigi.oliverio@sanjoseca.g
Cc: City Clerk <city.clerk@sanjoseca.gov>
Subject: affordable housing

Honorable councilmen

I'm writing to you regarding the New Rental Control Proposal. I've lived in San Jose for over 17 years, and as a tax payer I oppose the preliminary recommendations. Hiring 30 new employees to regulate the housing industry is not an effective way to solve the problem. The recommendation will only cover up symptoms of the problem, but does nothing to address the root problem at hand – shortage of low income housing. The money (5 or 10 million each year) should instead be used to fund programs that build new affordable housing or increase availability of new subsidized housing programs, which will help tenants in long term.

Thanks for your consideration

Faith

From: Judy Jennings [mailto[redacted]
Sent: Wednesday, March 30, 2016 8:38 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Stop Rent control

I own rental property & ask that the rent remains strictly between the owner of the property & potential tenants. The city & government should NOT be involved. There should not be any rent control legislated ever!!!

Judy Jennings Moritz
Keller Williams Realty
BRE# 00602617
Mobile: [redacted]

From: Fred Ling [mailto[redacted]
Sent: Thursday, March 31, 2016 12:18 AM
To: The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Jones, Chappie <Chappie.Jones@sanjoseca.gov>; Kalra, Ash <ash.kalra@sanjoseca.gov>; Peralez, Raul <Raul.Peralez@sanjoseca.gov>; Nguyen, Manh <manh.nguyen@sanjoseca.gov>; Carrasco, Magdalena <Magdalena.Carrasco@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; Nguyen, Tam <Tam.Nguyen@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; Rocha, Donald <Donald.Rocha@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>
Subject: Say "NO" to rent control, say "NO" to waste tax payer money, say "NO" to bankrupt San Jose!

Dear Honorable Mayor,

As a voter who cares about our City, San Jose, I strongly urge you to say "NO" to annual allowable rent increase on CPI-U. In fact any rent control is bad for our city.

Our housing department research is strongly biased in saying many cities adopted rent control. But it does not mention over 97% of cities do not have rent control. Of those have rent control, many have high crime rates and run down neighborhoods. Economists agreed rent control has been a good example of bad policy which makes cities run down. There is a high correlation and obvious cause of high crime rate and rent control. New rent control would put all landlords in financial ruins. Many would force into bankruptcy.

CPI is a national number. It does not reflect the realty of San Jose and the Bay Area. The income of San Jose thus cost of maintenance is much above the national average. The rationale of the proposal is absolutely wrongly base on CPI and does not reflect the reality of San Jose! Besides, CPI is not an index on housing, let alone Silicon Valley.

Anyone can see housing proposal is unfairly biased toward tenants groups. It puts big government against small landlords who are law binding, tax paying citizens who provide service to maintain decent housing to renters.

The new rules are much complicated for most. A 4.5 million and increasing annual budget is high and waste of tax payer money. The existing law and court system serves San Jose well over three decades. There is no need to do same work twice just to spend tax payer money.

Rent control would lower properties city wide, so do city tax revenues. It will lower budgets for police, firefighters and other city services. As landlord run out

of resources to keep up, fewer lucky tenants have a room to rent, but more without. It is like declaring all lunches must below market, there is fewer lunches in San Jose. It is a case of “free lunch is no lunch”.

I strongly urge you to say “NO" to annual allowable rent increase on CPI-U, say “No” to waste tax payer money, say “NO” to housing department bias proposal, say “NO” to bankrupt San Jose!

Best regards,

Fred Ling

Mar 30, 2016

From: Fred Ling [mailto[redacted]
Sent: Thursday, March 31, 2016 4:38 AM
To: The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Jones, Chappie <Chappie.Jones@sanjoseca.gov>; Kalra, Ash <ash.kalra@sanjoseca.gov>; Peralez, Raul <Raul.Peralez@sanjoseca.gov>; Nguyen, Manh <manh.nguyen@sanjoseca.gov>; Carrasco, Magdalena <Magdalena.Carrasco@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; Rocha, Donald <Donald.Rocha@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>
Subject: Rent Control Will Raise Rents

Dear Honorable Mayor,

As a voter who cares about our City, San Jose, I strongly urge you to say "NO" to annual allowable rent increase on CPI-U.

As we all know, rent control will decrease number of unit available to rent. It will raise rents in San Jose. Few cities adopted similar measure proves rent control is a bad policy! It lowers tax revenue and increase the need for police!

Rent control effectively keeps few bad tenants who stay and pay low rent while the good tenants could not get a place to stay even at higher rents. It is a "robbing Peter to give Paul" policy! It will bankrupt landlords and make neighborhood run down.

-Fred

Mar 31, 2016

From: Alan Louie [mailto[redacted]
Sent: Thursday, March 31, 2016 7:37 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Opposition to Rent Control

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Alan Louie, REALTOR ® and RE Broker
2016 VP - AREAA SF Peninsula
License # 01204336
[redacted]direct

Happy New Years to all my Friends, Relatives and Clients. May you have a wonderful, healthy and prosperous 2016. Contact me for your real estate, property management or notary services.

This email communication contains CONFIDENTIAL INFORMATION WHICH ALSO MAY BE LEGALLY PRIVILEGED and is intended only for the use of the recipients identified above. The information may also be protected by the Electronic Communications Privacy Act 18 USC §§ 2510-2521. If you are not the intended recipient of this communication, you are hereby notified that any unauthorized review, use, dissemination, distribution, downloading, or copying of this communication is strictly prohibited. If you are not the intended recipient and have received this communication in error, please immediately notify us by reply email, delete the communication and destroy all copies.

From: Roger Pennington [mailto[redacted]
Sent: Thursday, March 31, 2016 7:45 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: ARO and Inflation

To my fellow Americans

The Fifth Amendment protects individual property rights.
I set the value of my property and time when commencing trade and the public agrees with "fair market value".
Nobody likes inflation but that is the fruit of our government policies and regulations, inflation balances out easy money that causes inflation. Their have been 4 times since 1980 that inflation was over 10%
The Supreme court ruled in U.S. v Cartwright 411 that "fair market value is whatever value that 2 people agree to commence trade free from coercion.
The limiting of my right to "fair market value" is "TAKING" that which I have planned, worked and purchased, improved and provided for sale or use.
A limitation on my fair market rent directly limits the sale price of my product exactly $168 is lost at resale for every $1 lost in rent reductions.
Any argument that goes beyond the simplicity of my right to negotiate what is fair market value with the open public bidding process is confusion and trickery for fools. I am a tax payer, everyone already pays taxes which already goes to helping the needy, everyone pays and the needy get it by qualifying, Santa Clara Housing Authority for example will pair the "qualified" needy with thoseWILLING to accept HUD and bv AGREEMENT only constitutes a 3 way win, a win, win and win for all parties who agreed to participate, all winners, no victims providing those tenants do not get a bad reputation.
Increase the taxes for everyone equally and then qualify and mentor the needy who take it.

R Pennington

From: Matthias Eichstaedt [mailto[redacted]
Sent: Thursday, March 31, 2016 7:45 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Objection to the proposed Apartment Rent Ordinance (ARO)

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Matthias Eichstaedt
[redacted]

From: Roger Pennington [mailto[redacted]]
Sent: Thursday, March 31, 2016 7:45 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: I am not under the illusion that reduced rents will - check me on this, edit and return

Reduced rents will not:
Create more rental units.
Help the needy in any meaningful or substantial or philosophical ways.
Make apartments available for those with the greatest needs.
Improve congestion or reduce commuters from out of town.
Make tenants in the city provide more services by working more hours.
Reduce homelessness
Encourage owners to beautify their properties.
Encourage owners to be proactive.
Reduce code enforcement complaints.
Reduce housing staff numbers and costs.
Make renters respect how hard owners worked to become owners.
Encourage anyone to work harder.
Encourage anyone to save to buy property that isn't already saving to buy property.
Encourage alcoholics and drug addicts to abuse less.
Increase the quality of our community.
Reduce our cities crime rates.
Discourage loitering.
Encourage birth control
Reduce the number of crimes at night.
Reduce the number of police and social officers in the community.
Help renters become better people, parents or citizens.
Make people any happier than they choose to be.
Help those outside the city have better access to rentals in the city.
Encourage those settling for minimum wage to take jobs and residence outside of the city.
Reduce the number of people on the streets at night.
Encourage anyone to want to provide rental housing.

From: Matthias Eichstaedt [mailto[redacted]]
Sent: Thursday, March 31, 2016 7:46 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Opposing the proposed Apartment Rent Ordinance (ARO)

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Matthias Eichstaedt
[redacted]

WOODMONT
Real Estate Services

March 31, 2016

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Jeff Bosshard

Jeff Bosshard, CPM®
President Multifamily Operations
Woodmont Real Estate Services
License No. 01202338

[redacted] | Belmont, CA 94002
Tel: [redacted] | Fax: [redacted] | wres.com
BRE #01193147

From: Mark Brading [mailto[redacted]com]
Sent: Thursday, March 31, 2016 9:01 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Rent Control Ordinance - OPPOSITION to changes

Dear Mayor and Councilmembers:

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. It is unfair to ask Housing Providers to subsidize the cost of living in this area. The City is constantly encouraging new businesses to San Jose, but there isn't enough "affordable" housing for everyone. So, the City is considering recommendations that would force rental property owners to "subsidize" these businesses and the cost of living in this area. This isn't fair. Are you going to put a cap on home prices? Are you willing to limit the annual increase in your home value? Of course not. This country was built on a free democracy with an open marketplace, where supply and demand are allowed to work in equilibrium. Create more housing to offset the housing demand. Don't alter the free marketplace, it just doesn't work.

Vote NO on these proposed changes!

Sincerely,

Mark Brading
Glen Dennee Company
[redacted]
San Jose, CA 95136
[redacted]
NEW PHONE & FAX NUMBERS

From: Jicheng Gu [mailto[redacted]]
Sent: Thursday, March 31, 2016 9:52 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Opposition to the New Apartment Rental Ordinance

Dear Mayor and Council members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Jicheng Gu

From: [redacted] [mailto [redacted]
Sent: Thursday, March 31, 2016 9:59 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Modifications to the ARO

Dear Mayor Sam Licardo, and Councilmembers Chappie Jones, Ash Kalra, Raul Peralez, Manh Nguyen, Magdalena Carrasco, Pierluigi Oliverio, Tam Nguyen, Donald Rocha, Johnny Khamis, and Vice Mayor Rose Herrera,

I am writing to you today to share my extreme concerns over the changes that have been proposed in the Draft Recommendations for Modifications to the City of San Jose Apartment Rent Ordinance.

My parents purchased their first rental property in San Jose in 1979 and I have been involved in the management of our complexes since 1992. The buildings now belong to me, my siblings and our spouses. I am very dissatisfied with the recommendations that have been made by the Housing Department, and I am deeply troubled that we will not be able to maintain the necessary maintenance for our buildings due to rent increases that would correlate with the CPI-U.

We have three complexes in San Jose, all of which are part of The City of San Jose ARO. These buildings have all been well maintained and cared for. We have long term residents who enjoy where they live due to the affordability of our apartments and the upkeep of the apartment homes that we provide to them. But as the age increases in a property, so do the costs of maintenance and upkeep. A few examples of the expenditures that are needed in our buildings are: new plumbing for the individual apartments (this is an ongoing project due to the expense), a new roof, painting of the exteriors and earthquake retro-fits. These buildings have many more costly expenditures that are needed and not listed. Not to mention the additional costs of routine maintenance, repairs, and ongoing increases by utilities, vendors, insurance and taxes.

I am deeply troubled that proposed rent increases to correlate with the CPI-U will not allow us to maintain our buildings as they are now. We will not be able to save funds to do these necessary improvements. A fixed rate allowable rent increase will allow both the tenants and the owners to plan for the future.

I have attended almost every ARO Advisory Committee Meeting. These meetings are extremely frustrating, as no one is compromising. It is my understanding that the committee was formed to come up with solutions for both parties involved. This Draft Recommendation for Modifications is very one sided for the tenants. I am well aware that there is a housing shortage. San Jose has many homeless and people who need affordable housing. As responsible property owners we have followed the ARO, and provide an affordable and a well maintained home for our residents. By modifying the allowable rent increases to the CPI-U will not solve the shortage of housing or the amount of the homeless. It will only add to the lack of quality apartment homes and create more unkept properties. This recommended solution only creates more problems.....please consider a 6% increase so we can provide quality housing to our residents and maintain our properties.

Sincerely,

Louise M. McKeon
Housing Provider

From: Prem Lukose [mailto[redacted]
Sent: Thursday, March 31, 2016 10:02 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Rent Control: Letter to Mayor and Council Members

Dear Mayor and Council members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants. Currently the rents in my fourplex are undermarket, I have good tenants and I maintain my property.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Prem Andrzejek
Owner of a four-plex in West San Jose

From: Mary Gann [mailto[redacted]
Sent: Thursday, March 31, 2016 10:12 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: ARO

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.
Sincerely,
Mary Morris Gann
San Jose Mediterranean Apartments

From: Sarah Davison Cox [mailto[redacted]
Sent: Thursday, March 31, 2016 10:49 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Opposition to Housing Department recommendation

Dear Mayor and Councilmembers:

As a Housing Provider, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Sarah Cox • Property Director
Beach Cove & Woodmont Apartments
[redacted]

From: Bruce [mailto[redacted]]
Sent: Thursday, March 31, 2016 10:54 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Opposed to Housing Dept. recommendations to Apartment Rent Ordinance

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt our residents.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Bruce

Bruce Rueppel
[redacted]

From: Gurumurthy Srinivasagam [mailto[redacted]
Sent: Thursday, March 31, 2016 12:03 PM
Subject: Why I'm opposing ARO Proposal with supporting data

Dear Mayor, Council members. City Clark, Ann,

I own a fourplex under ARO in Sanjose . I have attached the expenses which I have paid to San Jose City, Santa Clara county, Federal (Flood insurance) and San Jose city service providers (garbage, water, PG&E) and their rate of increase for the last few years. The rate of increase is outweigh national level CPI index level every year.

I'm not sure if city and their service providers can not maintain their rate of increase at CPI index level, **how does the city expect us as a small business owners can maintain the rate of rent increase to CPI level?**

We are living in Silicon valley and we need to pay the same labor rate as others are paying for any jobs (plumbing, electric etc). We don't distinguish ARO apartments labor rate and non ARO apartments labor rates.

I'm renting my 2 bath/1bedroom units for $1450, $1450, $1500, $1575 respectively. I'm not sure how ARO data shows that the average ARO units rent rate as $2000+ and that is not definitely representing me. If ARO proposal gets implemented, I'm sure I will go out of business and not sure what to do for my retirement income

2013 - Muti residential occupancy permit - $205.24
2014 - Multi residential occupancy permit - $457.68 **(122% increase compare to 2013)**
2015 - Multi residential occupancy permit - $502.24 **(9.73% increase compare to 2014)**

2014 Water 80 CCF = $383 1 CCF (748 Gallon) $4.7875
2015 Water 58 CCF = $363 1 CCF (748 Gallon) $6.25 **(30% increase compare to 2014)**

2014 - Garbage - $130.81
2015 - Garbage - $137.35 **(5% increase compare to 2014)**

2014 - Property tax - $5683.91 $11366
2015 - Property tax - $5873.29 $11746 **(3.34% increase compare to 2014)**

2014 - Property insurance - $1317.00
2015 - Property insurance - $1417.15 **(7.60% increase compare to 2014)**
2014 - Flood insurance - $315.00
2015 - Flood insurance - $592.00 **(87% increase compare to 2014)**

2015 - PG & E average **6% increase compare to 2014**
2016 - PG & E average **7% increase compare to 2015**

As a responsible housing provider, I feel that the the data and the recommendations the Housing Department has put forth doesn't represent me and will not help in providing additional affordable housing, rather it will only hurt the tenants.

The proposal is just trying to follow other cities rent control implementation. As we all know that in other cities the rent control implementation is failed badly with highest crime rates in those cities.

As silicon valley being the technology and solution provider to the world, we (landlords) have recommended many unique solutions to the ARO team in the last few months discussion, however non of them are considered. I'm not sure why? I'm very doubtful that the ARO team is able understand landlords concerns and recommended solutions.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Gurumurthy Srinivasagam

From: David Andrzejek [mailto[redacted]
Sent: Thursday, March 31, 2016 12:12 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: re: Rent Control

Dear Mayor and Council members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO).

The recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants by deterring investment and maintenance. Currently the rents in my fourplex are undermarket, I have good tenants and I maintain my property. I saved for years to buy my property... it is my retirement plan.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. Additionally, the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

Look at San Francisco. Restrictive pricing and investment regulations will not solve affordability. The solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to reject these proposals.

Sincerely,
David Andrzejek
Owner of a four-plex in West San Jose

From: Kathryn Wilson [mailto[redacted]
Sent: Wednesday, March 30, 2016 8:04 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Rent Control

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

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As a Housing Provider, **the solution to our affordability crisis is to increase supply**. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. **Please vote to do no harm and reject these onerous proposals.**

Sincerely,
Kathryn Wilson
[redacted]

From: Joseph Bommarito[redacted]
Sent: Tuesday, March 29, 2016 9:47 AM
To: City Clerk
Subject: Rent Control

The proposal that is put forward on rent controls is bad for everyone, both Owners and Tenants. Owners and Tenants should get together and have a win win situation for both Tenants and Owners.

Owners need Tenants !

Tenants need Owners !

One side winning at the expense of the other will ultimately destroy both.

Let's not destroy each other !

Instead of **taking** from one another let's **give** to one another by compromising. In a compromise you do not destroy one another. Each side wins something. Let's compromise and make it a win win solution for both Tenants and Owners.

Thank You,
Joe Bommarito
Property Owner

From: Chi Sung [mailto[redacted]
Sent: Thursday, March 31, 2016 12:13 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Apartment Rent Ordinance--Housing Department

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Chi Sung

From: Rich Kelso [mailto[redacted]
Sent: Thursday, March 31, 2016 12:20 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Proposed Rent Control (ARO) Changes

March 31, 2016

Dear Mayor and Council Members:

I have owned several rental properties in San Jose for over 25 years. I would like to express my opposition to the Housing Department's recommendations having to do with rent control (changes to the ARO).

I think the thinking and proposed actions are a result of faulty thinking that will mostly hurt tenants in the end, rather than benefit tenants.

We are looking at a simple economics idea--that of supply and demand. There is simply not enough rental housing available for the population size and growing economy of Santa Clara (and other) counties.

More government regulations--such as you propose with these ARO changes--just make matters worse. Supply and demand always leads to self-correction in the economy. That's the whole idea behind it.

Your proposals will lead to deterioration of rental properties, as is often seen in inner city areas. Landlords can't charge enough rent to do necessary repairs, maintenance and upgrades because of rent control restrictions. Tenants live in increasingly slum-like conditions as a result.

Also, these proposed ARO changes will lead to even more bureaucracy (i.e. new staffing) to monitor the regulations. Is this really the best use that these funds can be used for?

Sincerely,

Richard G. Kelso
[redacted]
Los Gatos, CA 95030
[redacted]

From: Raul Richardson [mailto[redacted]]
Sent: Thursday, March 31, 2016 12:14 PM
To: Grabowski, Ann <ann.grabowski@sanjoseca.gov>
Cc: Kim Pham <Kim@theaptexperts.com>; Howard, Josh <jhoward@caanet.org>; Morales-Ferrand, Jacky <Jacky.Morales-Ferrand@sanjoseca.gov>; The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Scally, Katie <katie.scally@sanjoseca.gov>; Weerakoon, Ru <Ru.Weerakoon@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; rantonio@caanet.org; Vince Rocha <vince@sccaor.com>; Salcido, Jose <jose.salcido@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>
Subject: INVESTOR SIGNED LETTERS TO MAYOR AND COUNCIL MEMBERS
Importance: High

Ms. Grabowski,

I have attached signed letters form concerned citizens and property investors on the proposed Housing ARO recommendations. The letters are directed to the City Mayor and Council Members indicating their opposition to further controls.
Please accept the attached letters as part of public record.
I would appreciate confirmation that you received and opened the attachment.
Thank you for your attention and cooperation.

Regards,

Raul E. Richardson.-
Broker-Owner / CEO
Real Estate Investment Experts, Inc. - ***"The Apartment Experts"***
Cell: [redacted]
Office: [redacted]
Fax: [redacted]
eMail: [redacted]
Web Site: http://TheAptExperts.com/
Web Site: http://REInvestmentExperts.com/
DRE# 01390503

The Apartment Experts
FULL SERVICE BROKERAGE

Your referral is important! - If you know of someone who is looking to sell or buy property or might be considering obtaining a home mortgage, please mention my name.

CONFIDENTIALITY NOTICE: This e-mail and any files attached may contain confidential information of Real Estate Investment Experts, Inc. and/or its affiliated entities. Access by the intended recipient only is authorized. Any liability arising from any party acting, or refraining from acting, on any information contained in this e-mail is hereby excluded. If you are not the intended recipient, please notify the sender immediately, destroy the original transmission and its attachments and do not disclose the contents to any other person, use it for any purpose, or store or copy the information in any medium. Copyright in this e-mail and any attachments belongs to Real Estate Investment Experts, Inc. and/or its affiliated entities.

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Josh Lee I am a multi-family property investor owner.

The address (addresses) of my investment property is (are)

[redacted] [redacted] [redacted] San Jose, CA 95129

[redacted]

Signature

11/17/15

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Dyi Shang Pan I am a multi-family property investor owner.

The address (addresses) of my investment property is (are)

[redacted] San Jose, CA 95129

Sign[redacted]

11/17/15
Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is John Huang I am a multi-family property investor owner.

The address (addresses) of my investment property is (are) [redacted] S[redacted]
Drive, San Jose, CA

[redacted]

11/17/2015
Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Yi-Hen Wei I am a multi-family property investor owner.

The address (addresses) of my investment property is (are)

[redacted] San Jose, CA 95112

[redacted] San Jose, CA 95126

[redacted]

Signature

11/17/2015

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is THANG NGUYEN I am a multi-family property investor owner.

The address (addresses) of my investment property is (are)

[redacted], MILPITAS CA 95035

Si[redacted]

11/17/2015
Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is DANIEL LEE I am a multi-family property investor owner.

The address (addresses) of my investment property is (are) [redacted], S.J.

[redacted]

11-17-15

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Christina Lee I am a multi-family property investor owner.

The address (addresses) of my investment property is (are) _____

_____

_____

_____

_____

_____

[redacted]

Signature

_____

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Lynda Kyaw I am a multi-family property investor owner.

The address (addresses) of my investment property is (are) _____

_____

_____

_____

_____

_____

[redacted]

Signature

_____

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Simon Bloch I am a multi-family property investor owner.

The address (addresses) of my investment property is (are)

[redacted] SJ

[redacted] SJ SJ

Signatu[redacted]

11/17/2018

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Isaac Agan I am a multi-family property investor owner.

The address (addresses) of my investment property is (are)

1- [redacted] San Jose CA 95126

2- [redacted] San Jose, CA

Signature [redacted]

11/16/18

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Isaac Agar I am a multi-family property investor owner.

The address (addresses) of my investment property is (are)

1- [redacted] San Jose CA 95126

2- [redacted], San Jose, CA

Sig[redacted]

11/16/15

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is MICHAEL A. JOHNSON I am a multi-family property investor owner.

The address (addresses) of my investment property is (are) 4 Plex

[redacted]

Signature

11-17-15

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is MICHAEL A. JOHNSON I am a multi-family property investor owner.

The address (addresses) of my investment property is (are) 4 Plex

[redacted]

Signature

11-17-15

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Eileen Peng I am a multi-family property investor owner.

The address (addresses) of my investment property is (are)

[redacted]

San Jose, CA 95129

Si[redacted]

11/17/15

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Steven Peng I am a multi-family property investor owner.

The address (addresses) of my investment property is (are) [redacted], San Jose, CA 95129

[redacted]

Sig

11-17-15

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Rose Toganié I am a multi-family property investor owner.

The address (addresses) of my investment property is (are) [redacted] 6 Units purchase 2001

[redacted]

Signature

7/15/15

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Rae Togami I am a multi-family property investor owner.

The address (addresses) of my investment property is (are) [redacted] purchase 2001 there was been down. Build in 1969

[redacted]

Signature

11/15/15

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is Eva Fettchenhauer / Egon I am a multi-family property investor owner.

The address ([redacted]e) _____

_____

_____

_____

_____

_____

[redacted]

Signature

11/17/15

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is John Beeley I am a multi-family property investor owner.

The address (addresses) of my investment property is (are)

[redacted] [redacted] SJ 95111

[redacted]

Signature

11/17/15

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is John Beeley I am a multi-family property investor owner.

The address (addresses) of my investment property is (are) [redacted] SJ 95111

[redacted]

Signature

11/17/15

Date

Attn: The Honorable Mayor of San Jose and Council Members

Re: <u>Opposition to Rent Control and Just Cause Ordinances in San Jose.</u>

Honorable Mayor and Council Members,

This letter will serve to voice my opposition against the attempt to pass further Rent Controls and Just Cause Ordinances in the City of San Jose.

My name is ROGER CORY I am a multi-family property investor owner.

The address (addresses) of my investment property is (are) [redacted]

SAN JOSE CA. 95112 (3-plex)

[redacted]

Signature

11-18-15

Date

From: Barney D [mailto[redacted]
Sent: Thursday, March 31, 2016 1:00 PM
To: Raul Richardson <raul@theaptexperts.com>
Cc: Grabowski, Ann <ann.grabowski@sanjoseca.gov>; Kim Pham <Kim@theaptexperts.com>; Howard, Josh <jhoward@caanet.org>; Morales-Ferrand, Jacky <Jacky.Morales-Ferrand@sanjoseca.gov>; The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Scally, Katie <katie.scally@sanjoseca.gov>; Weerakoon, Ru <Ru.Weerakoon@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; rantonio@caanet.org; Vince Rocha [redacted]; Salcido, Jose <jose.salcido@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>
Subject: Re: LIST OF 374 NAMES AND REMARKS FROM CHANGE.ORG PETITION AGAINST FURTHER RENT CONTROLS

Great job Raul - this is Good vs Evil , we appreciate you standing up for our constitutional rights and good

Barney Diamos
Bay Dev Group

> On Mar 31, 2016, at 12:57 PM, Raul Richardson <raul@theaptexperts.com> wrote:
>
> Ms. Grabowski,
>
> I have attached the results of a "No-To Further Rent Control" petition drive that my office spearheaded on Change.org. The two excel spreadsheets attached contain the names and remarks form concerned citizens who support No Further Rent Controls.
> The names and remarks are directed to the City Mayor and Council Members indicating their opposition to further controls.
> The petition can be found at:https://www.change.org/p/the-apartment-owners-vote-no-to-rent-control?recruiter=397791292andutm_source=share_petitionandutm_medium=emailandutm_campaign=share_email_responsive
> Please accept the attached spreadsheets as part of public record.
> I would appreciate confirmation that you received and opened the attachment.
> Thank you for your attention and cooperation.
>
> Regards,
>
> Raul E. Richardson.-
> Broker-Owner / CEO
> Real Estate Investment Experts, Inc. - "The Apartment Experts"
> Cell: [redacted]
> Office: [redacted]
> Fax: [redacted]
> eMail: [redacted]
> Web Site:http://TheAptExperts.com/<http://theaptexperts.com/>
> Web Site:http://REInvestmentExperts.com/<http://theaptexperts.com/>
> DRE# 01390503
> [cid:image001.jpg@01D157B8.C6AC61C0]
>
>

From: Raul Richardson [mailto[redacted]
Sent: Thursday, March 31, 2016 12:57 PM
To: Grabowski, Ann <ann.grabowski@sanjoseca.gov>
Cc: Kim Pham <Kim@theaptexperts.com>; Howard, Josh <jhoward@caanet.org>; Morales-Ferrand, Jacky <Jacky.Morales-Ferrand@sanjoseca.gov>; The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Scally, Katie <katie.scally@sanjoseca.gov>; Weerakoon, Ru <Ru.Weerakoon@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; [redacted]; [redacted] Salcido, Jose <jose.salcido@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>
Subject: LIST OF 374 NAMES AND REMARKS FROM CHANGE.ORG PETITION AGAINST FURTHER RENT CONTROLS
Importance: High

Ms. Grabowski,

I have attached the results of a "No-To Further Rent Control" petition drive that my office spearheaded on Change.org. The two excel spreadsheets attached contain the names and remarks form concerned citizens who support No Further Rent Controls.
The names and remarks are directed to the City Mayor and Council Members indicating their opposition to further controls.
The petition can be found at:https://www.change.org/p/the-apartment-owners-vote-no-to-rent-control?recruiter=397791292andutm_source=share_petitionandutm_medium=emailandutm_campaign=share_email_responsive
Please accept the attached spreadsheets as part of public record.
I would appreciate confirmation that you received and opened the attachment.
Thank you for your attention and cooperation.

Regards,

Raul E. Richardson.-
Broker-Owner / CEO
Real Estate Investment Experts, Inc. - ***"The Apartment Experts"***
Cell: [redacted]
Office: [redacted]
Fax: 4[redacted]
eMail: [redacted]
Web Site: http://TheAptExperts.com/
Web Site: http://REInvestmentExperts.com/
DRE# 01390503

Your referral is important! *- If you know of someone who is looking to sell or buy property or might be considering obtaining a home mortgage, please mention my name.*

CONFIDENTIALITY NOTICE: This e-mail and any files attached may contain confidential information of Real Estate Investment Experts, Inc. and/or its affiliated

entities. Access by the intended recipient only is authorized. Any liability arising from any party acting, or refraining from acting, on any information contained in this e-mail is hereby excluded. If you are not the intended recipient, please notify the sender immediately, destroy the original transmission and its attachments and do not disclose the contents to any other person, use it for any purpose, or store or copy the information in any medium. Copyright in this e-mail and any attachment

Name	City	State	Zip	Country	SignedOn	Comment
Maxine Lubow	San Jose	CA	95112	United States	10/13/2015	Repairs need to be made on older units and your plan for increase will cease keeping the units up. Just like SF did.
Young Cho	San Jose	CA	95119	United States	10/13/2015	Rent control is a bandaid at best and targets the wrong problem. The rising rent values are only a symptom of the greater problem which is shortage of inventory. Rent control will suppress market forces and delay or prevent the development of more units, hurting both tenants and landlords/investors. Meanwhile rents are already at high levels and the only solution (production of more units) will be suppressed for many years because of increasing rent control.
Neville Batliwalla	San Jose	CA	95112	United States	10/13/2015	Rent control will not help. Only increasing the supply of affordable units is the answer
Rosemary Gibson	Mountain View	CA	94040	United States	10/13/2015	I manage many of the properties you are trying to put these ridiculous rules on ...
Zarine Batliwalla	Hillsborough	CA	94010	United States	10/13/2015	Most landlords are mom and pop outfits and need the income. This is discrimination against landlords who work hard and maintain their properties.
Madhumita Das	Menlo Park	CA	94025	United States	10/13/2015	I believe rent control will ruin the living situation for middle class people. Rents for new apartment will be very high and middle class will not be able to afford. The old apartments will not be maintained and the neighborhood will become bad. Rent control never had any good impacts on middle class people.
sunil chhaya	Menlo Park	CA	94025	United States	10/13/2015	I am signing because i own rental property in San Jose and already have below-market, affordable rent with white-glove service. Reducing my ability to earn income in line with my expenses will ensure that I leave San Jose and invest my money somewhere else, resulting in a loss to San Jose of a good landlord. Secondly, City should consider lowering or eliminating property taxes on the impacted rental properties to reduce cost burden.
Yong Zhao	San Jose	CA	95129	United States	10/13/2015	I strongly against it
Quan He	San Jose	CA	95135	United States	10/13/2015	Rent control and just cause for eviction will cause landlords and tenant to be against each other, will cause big damages to the relationship between landlords and tenants. Very bad to the community and the society. Very bad to the City's future.
Anne Xia	Stanford	CA	94305	United States	10/13/2015	I strongly against it
Vishal Mathur	San Jose	CA	95135	United States	10/13/2015	Rents must keep pace with increase in real estate values to make economic sense from investment perspective, rents must be determined by market, rent control adversely impacts both investors as well as renters
Firdausi Desai	Belmont	CA	94002	United States	10/13/2015	Rent control reduces the ability to keep properties up-to-date and well maintained for tenants. This is a bad idea.
Marian Thein	Santa Clara	CA	95051	United States	10/14/2015	Expenses to maintain a property is going up each year. Reducing further rent control limit will have negative impact on landlord in keeping up with the maintenance on properties. Rents should be determined by the market rent base on economy. We already have a rent control limit of 8%. Reducing more will not benefit renters or landlord. Most renters want updated units. I strongly against it.
Tao Pan	San Jose	CA	95120	United States	10/14/2015	Rental control is not the solution. On the contrary, it will hurt neighbourhood.
Satish Patel	San Jose	CA	95121	United States	10/14/2015	Owners who are impacted by the existing ARO are actually providing affordable housing. The solutions being considered by the SJ Council will continue to impact the same owners (approx. 35%) who abide by the existing ARO. If the Council really wants to make a stand then impose the ARO on all of the approx. 122k rental units in San Jose and level the playing field. If a change must happen then look at the bigger picture and make an informed decision based on facts and long-term impacts rather than on whose voice is the loudest and gets the most media coverage.
Raymond Ong	Cupertino	CA	95014	United States	10/14/2015	I have rental property and I want to protect property owner's rights
Yvette Lawson	Parsippany	NJ	7054	United States	10/15/2015	I have an elderly parent that is on a very fixed income and finding an apartment to rent in her budget is impossible. I also have children with a young family that are paying 65% of their income on rent. As parents and children of our parents, we are having to help subsidize their rent with our income. So sad.
Simon Bloch	San Jose	CA	95118	United States	10/16/2015	This is a bad move for investors that chose San Jose and it is a bad economical move for the city of San Jose. Most cities want to attract investors and improve the economy of the city, while San Jose is choosing the opposite.
Venkatesh Ragala	Sunnyvale	CA	94086	United States	10/16/2015	I'm signing because, It causes a lot damage to the society and also due to this changes, bad tenants will take advantage of the landlords and trouble them, Because of this landlords will decide to sell the property to avoid the headaches. If this happens, there will be more houses in the market and housing prices will decline and eventually leads to a very bad economy. We definitely need to help the people while we protect the landlords rights to evict the bad tenants.
Michael Fitzgerald	San Jose	CA	95112	United States	10/17/2015	These proposals, while supported by well-meaning people whose jobs usually are helping the disadvantaged, will not accomplish anything for their clientele. Not one unit will be opened up to someone who is now looking for a place. It will over time deprive owners of the necessary revenue to maintain their properties properly. The result will be the unintended consequence of an inevitable decline in the quality of our cities older rental properties. Owning an apartment building is not a hobby. Ownership cannot be expected to keep investing more in a building than it can pay back over time. It is too bad that people working at low wages cannot find much reasonably priced housing currently. But passing all of these "reforms" will be a cruel trick upon it's advocates. Too late they will find that they are getting nothing out of it. But some politicians will take some big bows for tackling the "problem" and they will be the only winners. These proposals won't add any new housing or reduce current rents. It is just putting a fig leaf over a problem. Asking a few hundred owners to bear the responsibility of the whole community is unfair and will prove a failure. But nobody wants to pay extra taxes; it's always let the other guy do it--and who really deserves too, also. Feeding the hungry, clothing the naked, and housing the homeless is the whole community's responsibility, and everyone is in favor of it, but you won't see many hands being raised to volunteer.

Richard J Dentino	Groveland	CA	95321	United States	10/17/2015	As a long time owner and mgr of rentals and past member of SJREB I know this measure is a waste of time. The only real rent control is the natural law of supply vs demand. The proposed controls will only serve to further limit the supply ultimately raising prices.
Scott Cooper	San Jose	CA	95120	United States	10/17/2015	The annual 8% rent control rate is already meager at best. Those with older buildings already have to spend more to maintain them properly over newer structures so 8% is already crippling. Where are maintenance funds supposed to come from? Tenant complaints are going to rise because I won't be able to spend the money I currently do to keep them content. Property taxes already increase 2% a year, so I'm supposed to absorb that as well? The quality of life in apartment living is going to be a very different world.
Abbas Haghshenas	Saratoga	CA	95070	United States	10/18/2015	It must be a free market.....we are in America
Wilson Chang	Los Altos	CA	94024	United States	10/18/2015	I'm signing because rent control discourages the construction of new rental units. If rent control is needed, the maximum allowed annual increases should be capped at 10%, NOT 2%.
alireza haghshenas	San Jose	CA	95128	United States	10/18/2015	Cost of living goes up w the high rate, not fair to keep the rent low.
Hadie Lane	San Jose	CA	95121	United States	10/18/2015	I own 3 nice 4plex apts. For 865 sq.ft. My rents range $1040 to $1,350/mo. for 2 bdrm 1&1/2 baths. My rents are all ready low in todays market. It is unjust not to make ALL rental units obey the 2% rule no matter when built.
Tip Whiting	Granada Hills	CA	91344	United States	10/19/2015	I believe in supply and demand. The government does not need to set the rental price the market needs to set the rental price.
Tami Trinh	Costa Mesa	CA	92626	United States	10/19/2015	I am against rent control in San Jose.
Wayne Haraguchi	Cupertino	CA	95014	United States	10/20/2015	I am a owner of a 4-plex and rent control will hurt my ability to maintain the units which is over 40 years old. I will need to replace the roof soon and my not have the money from rents to pay for it if there is rent control.
David Flores	San Jose	CA	95119	United States	10/20/2015	I it’s unfair to add duplexes to rent control and decrease the rate that rent can be increased when there is already a yearly 8% cap, if the government officials want to help people with housing they should create programs to attract funds and not to take away from only a rental owners who have worked very hard to acquire rental properties that cost money to maintain and will not be viable any more if there is not enough profit to keep up with repairs.
David Youssefpour	Los Gatos	CA	95032	United States	10/21/2015	This will not solve the shortage of rental units. It will only cause a deterioration of San Jose. Just look at the north bay to see the affects of rent control.
Arun Iyengar	San Jose	CA	95110	United States	10/21/2015	As an experienced business manager, I live by the adage "you get what you pay for". The properties that I buy are considerably below market and they are shabbily maintained. My goal is to increase the quality of life afforded in my apartments, but to do so, I need the ability to move towards market rents. Capping the rent increase to 8% puts a big crimp to begin with, and lowering the increase to 2% or anything less than 8%, in essence translates to cutting my costs through lower service. This will not help anyone.
Tara Posner	Aptos	CA	95003	United States	10/21/2015	No Rent Control - too costly to maintain the apartments for tenants. Taxes, garbage and all the costs.
Sanjay agarwal	Fremont	CA	94555	United States	10/21/2015	I believe in free economy where the supply and demand should drive prices/rents. When market was down and people could not afford to pay even $1100 for a 2 bedroom and vacancy was high, nobody from the housing complained about losses to the landlords. I pay property taxes and fees for business permit. This essentially is a dictate on how I should run my business. Hence I strongly oppose it.
Martin Bell	Santa Clara	CA	95051	United States	10/21/2015	I've owned rent control property in San Jose for 15 years and find the current limit of 8% to be pretty reasonable. 2%, however, is more like a rent freeze. It is totally unreasonable to foist this unfunded mandate on property owners simply because we are perceived to have deep pockets. We don't. Meanwhile all the fancy new complexes build luxury units and charge whatever they like. If you want to give handouts, do it with government money.
Wing Kwan	Cupertino	CA	95014	United States	10/22/2015	Rent control is not a solution.
Steve Borlik	San Jose	CA	95112	United States	10/22/2015	I am a small apartment owner. I keep my rents well below market and enjoy long term relationships with quality tenants. Excessively tight rent control forces small landlords to regularly raise rent, and fails to account for increases in taxes, mortgage interest rates, and maintenance costs of older housing stock. The currently considered plan strips property owners of too many rights. At some point, it becomes privately funded welfare. I would ask how far below market rent should a landlord be forced to go before being allowed relief?
tom AMENDOLA	San Mateo	CA	94404	United States	10/23/2015	The the market dictate market rent. Rent control is exacerbating the housing crisis.
Nicholas Speno	San Jose	CA	95128	United States	10/23/2015	Im a long time property owner and don't want my rights taken away from me.
Loraine Wallace	San Jose	CA	95112	United States	10/23/2015	The proposal is discriminatory in its application only to buildings constructed pre 1979; it invades the privacy of both Landlords and Tenants and will do nothing to increase affordable housing in San Jose
Nancy Chao	Cupertino	CA	95014	United States	10/23/2015	I have rental property in City of San Jose.
Kathryn Tomaino	Los Altos	CA	94024	United States	10/23/2015	I'm a strong and fierce believer in private property rights.
terri couture	los altos	CA	94024	United States	10/23/2015	No government interruption of commerce
Mary Ellen Wetlesen	Los Altos	CA	94022	United States	10/23/2015	Government regulations will unfairly manipulate the real estate market with adverse economic impacts
Linda Takagi	Mountain View	CA	94043	United States	10/23/2015	Rent control is a poor solution to this problem... I have been on both sides of this issue as an investor and as a tenant!

Dana Willson	San Jose	CA	95132	United States	10/24/2015	I do not want larger government with more controls
Wendy Wu	Oakland	CA	94603	United States	10/24/2015	I am signing because that I am a landlord.
Tina Kyriakis	Redwood City	CA	94061	United States	10/24/2015	I'm a Realtor and appartment owner and rent control would lead to deterioration neighborhoods, since landlords will not be able to make necessary repairs to their properties if rents don't increase with labor costs.
Daniel Decker	Los Gatos	CA	95032	United States	10/25/2015	Stronger rent control create more homeless as Landlords will rewarded for evicting low rent tenants.
Michael Crowell	Fairfield	CA	94534	United States	10/25/2015	Rent Control is anti-capitalism. It distorts the market forces.
Sarah Xu	Sunnyvale	CA	94087	United States	10/26/2015	I thought San Jose's 8% rent control is a quite reasonable balance for both tenant and landlord. 2% is going to severely restrict the ability of landlord to pay for maintenance, and is frankly quite socialist agenda to rob landlord's right. Moreover, just like our neighbor San Francisco, this will create ridiculously disparate rent market for rent controlled vs not, in the end, hurt the tenants in terms of mobility and affordability.
Jae Allen	San Jose	CA	95128	United States	10/27/2015	I am against government control of private business
Alberto Sevilla	San Jose	CA	95129	United States	10/27/2015	The proposed ordinance will hurt tenant more than anything - the solution is to INCREASE housing not restrict the current supply
Moris and Jackie Ronen	San Jose	CA	95124	United States	10/27/2015	WE are signing a pettion supporting the California Apaatment Association's efforts to say No to Further Rent Controls in San Jose,
Kathy Horvath	Los Altos	CA	94022	United States	10/28/2015	I believe in private property rights and strongly oppose government taking without just compensation.
Medi Montaseri	San Jose	CA	95173	United States	10/28/2015	I don't like rent control
David Dudek	Scotts Valley	CA	95066	United States	10/28/2015	Rent Control is BAD POLICY that will NOT SOLVE our housing crisis and will only make it WORSE!
Gina Whitney	San Jose	CA	95139	United States	10/28/2015	I am a landlord in San Jose, and I want to be able to continue to provide quality housing at affordable housing. Withe the current 8% increase allowance, the rent in my building is well below market. I lived in Berkeley in the 1980s and saw what rent control did to that market: There was no housing available as tenants never moved out; and the landlords did not put any money into any improvements.
Frederick Dudek	Arlington Heights	IL	60004	United States	10/28/2015	Rent control decreases the quality of affordable housing.
Shashi Jaggia	Cupertino	CA	95014	United States	10/28/2015	I think this is unfair, un-american and against the principals of an open market. It will cause property values to decline. Landlords will not be able to maintain their properties in good condition. It is a loose-loose proposition!
Dana Dyo	Gilroy	CA	95020	United States	10/29/2015	I'm against rent control in San Jose
Jong Peter	Los Altos	CA	94024	United States	10/29/2015	We own rental properties in San Jose for many years, and we keep our rental rates below market. We have updated the units regularly and kept the property in very good condition.The projected 2% limit of rental increases is unreasonable and is totally unfair to all owners of rental properties, given the costs of continued maintenance, increases in property tax, insurance, utilities and pertinent factors. We strongly oppose the new proposals.
Susan Dudek	Arlington Heights	IL	60004	United States	10/29/2015	I am a landlord and cannot maintain quality housing with rent control
Celestina Pastor	Sparks	NV	89441	United States	10/30/2015	This control is just to protect the tenants and not the owners
Audrey Okubo	San Jose	CA	95129	United States	11/1/2015	If there is a limit of 2% increase, I won't be able to maintain the apartments. Currently i do not raise rents yearly, but I will have to if the limit is lowered to 2%.
Glenn & Marilyn Frizzell	San Jose	CA	95132	United States	11/6/2015	We are long time duplex owners who have NOT been raising our tenant's rents each year.
Jennifer liu	Palo Alto	CA	94303	United States	11/6/2015	I'm strongly against further Rent Control and Just Cause Eviction!
Mike Bauer	San Jose	CA	95136	United States	11/6/2015	More rent control and just cause eviction is unfair
Eleanor Perazzo	Saratoga	CA	95070	United States	11/6/2015	I have been in the rental business for 40 plus yes and have worked hard to maintain a clean and safe apartments for my tenant. I wish to continue without further rent control to hinder my gold.
Christina Van Zandt	San Jose	CA	95117	United States	11/6/2015	We employ over 20 people in the area. If we are forced to cut costs to make ends meet because of this rent freeze, we may have to cut back on staff and possibly leave the area all together. It won't make sense to stay in business here if we have to pay out of our pockets to operate housing for our residents, and that's what the lower rent ceiling would do - cause us to either slash expenses (read: cut back on property maintenance) or go negative. With all of the taxes, permits, and government fees riding on our backs not to mention drastically rising costs of all other resources, long term property owners are not making a killing; it's the developers who move in with big fancy projects building luxury condos that are profiting. Furthering rent control does not solve the problem at its root - it only passes the buck to the next generation of local politicians when area housing deteriorates into slums.
Bonnie Liu	san jose	CA	95148	United States	11/6/2015	I'm signing because I am against changes to the current SJ ARO!
Anil Patel	San Jose	CA	95112	United States	11/7/2015	I have property in San Jose. Rent Control puts an unfair burden, of societies problems on a small group of businesses. And it violates my rights of being treated equally, by put unfair burden on a select group of property owners at the benefit of others.
Anil Patel	San Jose	CA	95112	United States	11/7/2015	I own property in San Jose. Rent control puts unfair burden, of societies problems, on a small group of selected business. It unfairly targets and discriminates against them, at the benefit of others. This violates my equality at the benefit of others.
Carl Balistreri	San Jose	CA	95126	United States	11/8/2015	I am signing because further rent control is unfair if it does not include new construction and all properties in the area no matter when they were constructed
Dennis Orsini	Fremont	CA	94539	United States	11/11/2015	I'm a small owner (6 units). I've kept my rents low. I don't want to be punished by San Jose's rent control on duplxes

Isaac Agam	Palo Alto	CA	94303	United States	11/11/2015	Rent control is immoral, ineffective, bring back drugs, prostitution, and crime, create a huge and expensive bureaucracy, and rob elderly and hard working Americans from their retirement money invested with hard work in real estate. All of that to solve an issue that is grossly blown out of proportion. Tenants pay the exiting rent because they afford it. Otherwise it wouldn't be at that level. Landlords are neither a monopoly nor a Mafia. They compete against each other and if the rent is at a certain level, it is for one reason alone: tenants can afford it. Rent went up in recent years because it went down during the 2008-2009 recession. Eventually rent will level up to the average 4% -5% per year as it has been for many years. So creating a huge bureaucracy for a small number of people for a short time is also unwise, not only immoral and ineffective.
Sandy Adams	San Jose	CA	95125	United States	3/9/2016	Stricter rent control will not provide more affordable housing. To the contrary, it will only benefit those tenants in place today and will adversely affect the natural flow of the rental market. Tenants will no longer move (why would they with a locked in rent) locking out all future low-income tenants. Investors will seek better returns with less restrictions in other cities adjacent to San Jose. This is not progress for our city.
Andrea Caldwell	San Jose	CA	95138	United States	3/10/2016	Rent control is a proven failed option for addressing the larger issues of the cost of housing in San Jose. The current program is an example of the lack of demand for governmental intervention. Economic cycles occur and reoccur; disastrous results occur when poorly administrated, governmental bodies intercede to curry political favor.
Andre Grisalin	San Jose	CA	95120	United States	3/10/2016	This is excessive and goes far beyond what is reasonable . Why don't you do the same for commercial tenants.
Vincent Tsai	San Jose	CA	95138	United States	3/10/2016	We already have enough rent control in the City of San Jose. Further limitations will only be counter-productive.
John Bowen	San Jose	CA	95125	United States	3/10/2016	Take a stand against this legislation. History is replete with evidence that local governments trying to control rental markets end up destroying those market and creating their own ghettos. Be proactive in helping create more housing NOT in driving away property owners. Stand AGAINST this rent control, in reality that is the best way to help better the available housing and encourage developers to bring more and better housing to our city. Supporting an open and free market is helping everyone in that market.
Charles Adams	Campbell	CA	95008	United States	3/10/2016	I support the free markets, no rent control. I didn't become an investor to have the City determine a reasonable return.
James Endo	San Jose	CA	95123	United States	3/10/2016	I am against rent control. We are building more units. We cant create more stringent terms against the property owners because the market is changing? Are we going to change it again when the market cools off? We need more supply. We dont need more laws that will prohibit moving. Look at SF, Oakland, and Santa Monica to name a few. I ask for your support to vote NO on Rent Control.
Ayshe Guraydin	San Jose	CA	95125	United States	3/10/2016	Why do you penalize owners of older properties? A cap of 2.5% doesn't even cover the amount of utilities that are increased on an annual basis between trash! PGE and increasing water(they are asking for more money) property taxes and insurance! owners of the buildings that need more maintenance will be going backwards. This would be a travesty.
Jorge Zegarra	San Jose	CA	95133	United States	3/11/2016	I am signing because I want to say ... NO to Further Rent Controls.
fran turano	campbell	CA	95008	United States	3/11/2016	I oppose any change to the rent ordinance and I am a tenant
Kourosh Nassiri	Redwood City	CA	94061	United States	3/11/2016	Rent control destroys communities and causes the rent to be higher
Yoshi Yamanouchi	Fair Oaks	CA	95628	United States	3/11/2016	we should apply this code to every apartment otherwise no effect but more run down neighborhood city will create with unintended consequence. It's been proven all over the world repeatedly. Emotional decision lead to disaster...
Jennifer Walshe	San Jose	CA	95125	United States	3/11/2016	I own a condo in Willow Glen that I have rented since 2002. I need to be able to charge the appropriate amount to manage maintenance and remodels over time.
George Patterson	San Jose	CA	95123	United States	3/11/2016	When the housing market in this town was in a major crisis back in 2008-2011, small investors like me to a risk to invest in properties that were short sales and/or blighted properties. We have made improvements and maintained the property. Putting unrealistic caps on rent increases is short-sighted and could lead to blight problems for landlords who can no longer afford to maintain their investment property. This is just one reason why I oppose the council's recommendations.
Kim Roper	Los Gatos	CA	95031	United States	3/11/2016	Affordable housing is a an issue that all of society should have to address, not just a small group of landlords with old buildings.
Steve Daniels	San Jose	CA	95124	United States	3/11/2016	Dear Council Members, This proposal will not accomplish what it intends. In fact, it will make matters worse. An example of the failure of rent control is the Tenderloin area of San Francisco. As property owners are shackled with rent control, they will stop investing money into maintaining competitively priced housing. Rather, rent controlled housing will be dominated by tenants who will not move as they cannot find other under market priced housing. As a home is lived in, upkeep is necessary. Property owners will not be motivated to invest in poorly performing rent controlled investments. These rental properties will be poorly performing by the hand of government. This governmental intervention will eliminate the financial incentive to provide competitive housing. This will not provide a greater stock of affordable housing as builders will not build in rent controlled areas, investors will not invest in rent controlled ares and new residents will not find affordable housing as it will be filled will tenants who will not relinquish under market priced housing. However, This bill will BENEFIT those individuals in the governmental agency who will provide this 'service' to renters. They have a conflict of interest in expanding their office staff. This ensures a bigger budget. A budget paid for by a few individuals (property owners) who have worked hard to be responsible and fill a need within society. It is your FIDUCIARY DUTY to have an OPEN MIND as you consider this proposal. So far, as I've witnessed during the public forums, several Council Members at these forums turn a deaf ear to the vast majority of attendees at these public meetings. Several Council Members exhibit anything but an open mind. They ignore their fiduciary duty. What a shame these people are in a position to guide government. I say these things out of desperation. Like many, I am a small time property owner who has sacrificed and saved, working nights, weekends, holidays, and double shifts only to find more ill conceived, redundant, self serving, governmental intrusion that will not accomplish it's intended goal. Rather, this bill will generate reduced quantity and poorer quality housing to residents of Santa Clara County. It will also have a very negative effect on investments, further reducing available housing. As a contributing, upstanding, tax burdened, functional and voting member of this community, I ask you to reject this poorly conceived proposal. Respectfully, Steve Daniels

Dennis Perez	Santa Clara	CA	95051	United States	3/11/2016	Real estate investor
Helen Shaw	San Jose	CA	95129	United States	3/12/2016	Rent control lowers property values, drives away investors, reduces landlord's ability to afford to maintain the property, forces annual increases to existing tenants, brings down the quality of neighborhoods, artificially mandates controls despite market conditions. San Jose City and all residents suffer as a result.
CHARLES SHAO	LOS ALTOS HILLS	CA	94022	United States	3/13/2016	The just-cause clause protects bad tenants and does nothing to improve the welfare of the good tenants. No landlords like to kick out a good tenant because changing tenants losses at least one to two months rent and incurs other fix-up cost. If the rent control already plugged the loophole of increasing the rent by evicting the tenants. There is no incentive for the landlord to evict good tenants except the trouble makers. This just cause clause will help those filthy, noisy, criminal inclined tenants to destroy the neighborhood. It's a bad news for everybody.
Joe Terrsigni	San Jose	CA	95125	United States	3/14/2016	I'm signing this petition and saying NO to San Jose's proposed new RENT CONTROL ORDINANCE (ARO) and the following: Annual Rent Increase caps to be lin ked to CPI (average 2.5 percent), retroactive to January 1, 2015 Eliminate the Debt Service Pass-Though Increase the vacancy rate declared as a "tight market to 5%". (This would extend the days required on move-out notices to tenants) Implement a Full Rent Registry, requiring all tenant information to be provided to the Housing Dept Establish and fund an "Anti-Retaliatory Clinic" to proactively monitor, analyze, educate and enforce the ARO. Provide "Just Cause" protections against retaliation for tenants living in units that are substandard or have code violations (Tenants are already protected by state law). Rent Control is already a failure in such cities as New York and Los Angeles, to name a few
Kathleen Kelly	Santa Clara	CA	95050	United States	3/15/2016	Impacts myself and everyone in the community. Thanks
Paaras Mehta	Menlo Park	CA	94025	United States	3/16/2016	I am a property owner in San Jose and rent control prevents me to stable tenants with family are best suited for the neighborhood. Instead, I have to deal with vacancies on monthly basis in absence of stable families who would love to pay a bit extra and stay in the neighborhood.
Maritza Ramos	San Jose	CA	95148	United States	3/16/2016	Because Rent Control I will not be able to afford to keep my apartment in good condition for the security of my tenants, Have to come out of pocket for the higher increase of utilities as well in apartment loan.
Susan Shi	Cupertino	CA	95014	United States	3/18/2016	I believe rent should be governed by market, not man-made policy in order to balance the rights of tenants and landlords. A strict and unreasonable proposal like this will lead to disruption of otherwise balanced rental market, which will cause more damage than benefit for everyone down the road.
Ellis Hung	San Jose	CA	95117	United States	3/18/2016	No rent control! It won't resolve the housing supply issue for low income tenant. Failed example of rent control can be found in San Francisco & other cities. Rent control is just a politician tactics to get votes from low income voters who need low price housing. Viable solution for affordable housing is balance supply & demand with more affordable housing built or supplied from local/federal governments....
Oren Katzir	San Jose	CA	95124	United States	3/18/2016	Rents should be governed by market demand
Richard Kwok	San Jose	CA	95131	United States	3/19/2016	the city needs more housing units, not more heavy handed government. Plus taxing the tenants and creating a database wont bode well. Encourage builders to build more low ito moderate income apartments with incentives and subsidies
fran turano	San Jose	CA	95159	United States	3/23/2016	I do not want any changes to the existing SJ ordinance...it works well ... go hard after those owners that don't comply with the existing rent ordinance
Andrew Chan	Saratoga	CA	95070	United States	3/23/2016	rent control doesn't solve the shortage of housing availability problem.
Debbie Indihar Giordano	Milpitas	CA	95035	United States	3/23/2016	I am against any changes to current rent control ordinance in San Jose
david eisbach	san jose	CA	95117	United States	3/23/2016	the changes are so bad as to be ruinous
Glenda Crespo	San Jose	CA	95126	United States	3/24/2016	As a struggling tenant myself. I have always made it a point to rent in areas within my means. I have never expected anything else that anyone owes me anything!
Bai Bee Yeh	San Jose	CA	95124	United States	3/24/2016	rental is expensive to keep. Rent control will discourge the owner to put the unit to rent.
cj Fang	Palo Alto	CA	94301	United States	3/28/2016	I have been trying hard to keep my apartment at a good condition although the rent of my apartment is ~$1250/month which is far away from $2,227/moth quoted by rent control supporters. I have experienced over years that the increase of repairing cost is much, much higher than alleged inflation rate. With the tighter rent control, I can foresee I will not be able to maintain my apartment at the current quality and I will be motivated to look for short term tenants so that I do not go into the red. If so, I do not see how it can benefit tenants. It is pathetic that San Jose City just wants to offload their responsibility for affordable housing to hard-working landlords and some politicians use it to advance their career because it is easy to do so.

Name	City	State	Postal Code	Country	Signed On
Kim Pham				United States	10/5/2015
Buen Guido	Milpitas	California	95035	United States	10/5/2015
joel hembree	Cupertino	California	95014	United States	10/10/2015
Maxine Lubow	San Jose	California	95112	United States	10/13/2015
Young Cho	San Jose	California	95119	United States	10/13/2015
Neville Batliwalla	San Jose	California	95112	United States	10/13/2015
Sanjeet Thadani	Palo Alto	California	94301	United States	10/13/2015
Nahal Ashouri	Los Altos	California	94024	United States	10/13/2015
Minh Le	Milpitas	California	95035	United States	10/13/2015
Rosemary Gibson	Mountain View	California	94040	United States	10/13/2015
Zarine Batliwalla	Hillsborough	California	94010	United States	10/13/2015
Barry Karnes	San Jose	California	95128	United States	10/13/2015
Madhumita Das	Menlo Park	California	94025	United States	10/13/2015
Casey Wright	Walnut Creek	California	94596	United States	10/13/2015
sunil chhaya	Menlo Park	California	94025	United States	10/13/2015
Li Chin Kuo	Fremont	California	94539	United States	10/13/2015
Gene Longinetti	Saratoga	California	95070	United States	10/13/2015
Xiujun Zhang	Tracy	California	95304	United States	10/13/2015
Malcolm Lee	Daly City	California	94015	United States	10/13/2015
John Huang	San Jose	California	95124	United States	10/13/2015
Lily Shen	San Jose	California	95127	United States	10/13/2015
YONG ZHAO	San Jose	California	95129-3034	United States	10/13/2015
Quan He	San Jose	California	95135	United States	10/13/2015
jenny lui	San Ramon	California	94582	United States	10/13/2015
Matthias Eichstaedt	San Jose	California	95127	United States	10/13/2015
Mark Brading	San Jose	California	95136	United States	10/13/2015
Anne Xia	Stanford	California	94305	United States	10/13/2015
Raul Richardson	San Jose	California	95113	United States	10/13/2015
Vishal Mathur	San Jose	California	95135	United States	10/13/2015
Matthew Richardson	San Mateo	California	94402	United States	10/13/2015
Amy Luk	San Francisco	California	94118	United States	10/13/2015
Kerri Luu	San Jose	California	95132	United States	10/13/2015
James Totah	San Jose	California	95132	United States	10/13/2015
Jim Chien	Los Gatos	California	95032	United States	10/13/2015
Donna Tang	Novato	California	94945	United States	10/13/2015
Firdausi Desai	Belmont	California	94002	United States	10/13/2015
Aldo Parenti	Redwood City	California	94062	United States	10/13/2015
Lihong Zhong	San Jose	California	95120	United States	10/14/2015
Marian Thein	Santa Clara	California	95051	United States	10/14/2015
Yu Sun	San Jose	California	95120	United States	10/14/2015
Joseph Shamieh	Redwood City	California	94061	United States	10/14/2015
Krishna Marella	Santa Clara	California	95050	United States	10/14/2015
Gregory Grialou	San Mateo	California	94403	United States	10/14/2015
raymond low	san jose	California	951612	United States	10/14/2015
Zijun Yan	Sunnyvale	California	94087	United States	10/14/2015
Kay S	San Mateo	California	94404	United States	10/14/2015

DENNIS CHEN	San Jose	California	95112	United States	10/14/2015
Tao Pan	San Jose	California	95120	United States	10/14/2015
xuan sun	Menlo Park	California	94025	United States	10/14/2015
feng liu	San Jose	California	95120	United States	10/14/2015
Fang Guo	Fremont	California	94539	United States	10/14/2015
Satish Patel	San Jose	California	95112	United States	10/14/2015
Raymond Ong	Cupertino	California	95014	United States	10/14/2015
Thu Nguyen	Milpitas	California	95035	United States	10/14/2015
Arman B	San Jose	California	95128	United States	10/14/2015
Hien Le	Milpitas	California	95035	United States	10/15/2015
Diep Le	Milpitas	California	95035	United States	10/15/2015
Yvette Lawson	Parsippany	New Jersey	7054	United States	10/15/2015
Robert Prillinger	Los Altos	California	94024	United States	10/15/2015
Jinye Li	Saratoga	California	95070	United States	10/15/2015
Simon Bloch	San Jose	California	95118	United States	10/16/2015
Venkatesh Ragala	Sunnyvale	California	94086	United States	10/16/2015
barney diamos	Sunnyvale	California	94087	United States	10/16/2015
Danny Kapadia	San Francisco	California	San Francisco	United States	10/16/2015
Eric Chan	Los Gatos	California	95032	United States	10/16/2015
Sayed Jovkar	Los Gatos	California	95032	United States	10/16/2015
Nazanin Khosravi	Los Gatos	California	95032	United States	10/16/2015
Carl Worden	San Jose	California	95128	United States	10/17/2015
Kevin Chen	Sunnyvale	California	94087	United States	10/17/2015
J Manley	Los Gatos	California	95030	United States	10/17/2015
Michael Fitzgerald	San Jose	California	95112	United States	10/17/2015
Tom Schweikert	San Jose	California	95112	United States	10/17/2015
ashok nalamwar	Fremont	California	94539	United States	10/17/2015
Eric Winokur	San Jose	California	95124	United States	10/17/2015
Gerardo Aguilar	San Jose	California	95124	United States	10/17/2015
yoshi Sakaue	Santa Cruz	California	95065	United States	10/17/2015
Danny Cargill	Aptos	California	95003	United States	10/17/2015
Leo Wu	San Jose	California	95129	United States	10/17/2015
Paul Tran	San Jose	California	95135	United States	10/17/2015
Eugene Korsunsky	San Jose	California	95126	United States	10/17/2015
Richard j Dentino	Groveland	California	95321	United States	10/17/2015
John Steffens	San Jose	California	95117	United States	10/17/2015
John Acosta	Cupertino	California	95014	United States	10/17/2015
Brent Cooper	San Jose	California	95118	United States	10/17/2015
Nancy Caillau	San Jose	California	95111	United States	10/17/2015
Scott Cooper	San Jose	California	95120	United States	10/17/2015
Tom Tran	San Jose	California	95124	United States	10/17/2015
Abbas Haghshenas	Saratoga	California	95070	United States	10/18/2015
Zohreh Tabatabaie	Saratoga	California	95070	United States	10/18/2015
Wilson Chang	Los Altos	California	94024	United States	10/18/2015
Laurent Bourdet	San Jose	California	95130	United States	10/18/2015
alireza haghshenas	San Jose	California	95128	United States	10/18/2015
Lucy Zhang	Fremont	California	94539	United States	10/18/2015

Dino Maziotis	San Jose	California	95117	United States	10/18/2015
Bahram Rashedi	San Jose	California	95120	United States	10/18/2015
Michael Galvin	San Jose	California	95125	United States	10/18/2015
Jerry Castronovo	San Jose	California	95120	United States	10/18/2015
faith zhou	San Jose	California	95129	United States	10/18/2015
Jo Kemling	Santa Clara	California	95051-1407	United States	10/18/2015
Hadie Lane	San Jose	California	95121	United States	10/18/2015
Valerie Catanese	San Jose	California	95124	United States	10/18/2015
Judy Chen	Sunnyvale	California	94087	United States	10/18/2015
Tip Whiting	Granada Hills	California	91344	United States	10/19/2015
Tzvi Handler	Brooklyn	New York	11225	United States	10/19/2015
Thanh Thai	Santa Clara	California	95054	United States	10/19/2015
Sarah Parrish	Bloomington	Indiana	47401	United States	10/19/2015
Virginia Lynn	Santa Clara	California	95050	United States	10/19/2015
Katherine Hsu	Fremont	California	94555	United States	10/19/2015
Lydia George	San Jose	California	95120	United States	10/19/2015
ROGER PENNINGTON	San Jose	California	95128	United States	10/19/2015
Tami Trinh	Costa Mesa	California	92626	United States	10/19/2015
Bang Vo	Santa Clara	California	95051	United States	10/19/2015
David Arvay	Sunnyvale	California	94089	United States	10/19/2015
Jerry Dias	San Jose	California	95125	United States	10/19/2015
Harold Litfin	San Jose	California	95128	United States	10/19/2015
Dean Hotop	San Jose	California	95126	United States	10/19/2015
jason chan	Millbrae	California	94030	United States	10/19/2015
evelyn chan	San Francisco	California	94134	United States	10/19/2015
Joette Short	San Jose	California	95126	United States	10/19/2015
J K	San Jose	California	95117	United States	10/19/2015
Sarah Garcia	San Jose	California	95112	United States	10/20/2015
Wayne Haraguchi	Cupertino	California	95014	United States	10/20/2015
Hsiu Chen	San Jose	California	95120	United States	10/20/2015
Laura Kreuger	Campbell	California	95008	United States	10/20/2015
julia wen	Los Gatos	California	95030	United States	10/20/2015
Joseph Vieira	Los Gatos	California	95030	United States	10/20/2015
David Flores	San Jose	California	95119	United States	10/20/2015
Minh ha	san jose	California	95138	United States	10/20/2015
Rita Yuen	San Jose	California	95128	United States	10/21/2015
Mark Yazdani	Los Altos	California	94023	United States	10/21/2015
David Youssefpour	Los Gatos	California	95032	United States	10/21/2015
J Langton	San Jose	California	95112	United States	10/21/2015
Arun Iyengar	San Jose	California	95110	United States	10/21/2015
Nagamanu Nataraj	Cupertino	California	95014	United States	10/21/2015
Ali Pirooz	San Jose	California	95117	United States	10/21/2015
mgo-syllc mgo-syllc	San Jose	California	95135	United States	10/21/2015
Jerry Kimber	San Jose	California	95125	United States	10/21/2015
Shunn Huang	San Jose	California	95148	United States	10/21/2015
sunteck see	San Jose	California	95148	United States	10/21/2015
Eva fettchenhauer	Cupertino	California	95014	United States	10/21/2015

Denise Chilow	Mountain View	California	94040	United States	10/21/2015
Alice Ogasawara	Saratoga	California	95070	United States	10/21/2015
Tara Thao Posner	San Jose	California	San Jose CA	United States	10/21/2015
CHRIS CHEW	Sunnyvale	California	94085	United States	10/21/2015
Sanjay Agarwal	Fremont	California	94555	United States	10/21/2015
Irene Ng	Sunnyvale	California	94085	United States	10/21/2015
Martin Bell	Santa Clara	California	95051	United States	10/21/2015
S. Vora	San Jose	California	95120	United States	10/21/2015
Mark SanGiovanni	San Jose	California	95127	United States	10/21/2015
Virginia Hao	San Jose	California	95123	United States	10/21/2015
Hong Hua	San Jose	California	95148	United States	10/21/2015
Julia Sun	San Jose	California	95116	United States	10/21/2015
Virginia Hao	San Jose	California	95133	United States	10/21/2015
laura colin	Menlo Park	California	94025	United States	10/21/2015
Janomi Lee	San Jose	California	95128	United States	10/22/2015
Ladislao Moreira	San Jose	California	95121	United States	10/22/2015
Angie Ng	Milpitas	California	95035	United States	10/22/2015
Haley Bogart	San Francisco	California	94102	United States	10/22/2015
Christopher Dao	San jose	California	95132	United States	10/22/2015
Helen Kwan	San Jose	California	95170	United States	10/22/2015
Steve Borlik	San Jose	California	95112	United States	10/22/2015
tom amendola	San Mateo	California	94404	United States	10/23/2015
Emilio Estrada	Sunnyvale	California	94089	United States	10/23/2015
Nicholas Speno	San Jose	California	95128	United States	10/23/2015
Wai Man Kwan	Fremont	California	94539	United States	10/23/2015
alon carmeli	Palo Alto	California	94303	United States	10/23/2015
daniel LEE	Daly City	California	94015	United States	10/23/2015
Joshih Rose Lee	Cupertino	California	95014	United States	10/23/2015
Loraine Wallace	San Jose	California	95112	United States	10/23/2015
Jason Pan	Cupertino	California	95014	United States	10/23/2015
Sharon Wu	Cupertino	California	95014	United States	10/23/2015
Lynn Nordyke	San Jose	California	95130	United States	10/23/2015
Nancy Chao	Cupertino	California	95014	United States	10/23/2015
Kathryn Tomaino	Los Altos	California	94022	United States	10/23/2015
Theresa Couture	Los Altos	California	94024	United States	10/23/2015
Ellen Barton	Los Altos	California	94024	United States	10/23/2015
Tony Xu	Fremont	California	94539	United States	10/23/2015
Julia Qiu	San Jose	California	95127	United States	10/23/2015
Mary Ellen Wetlesen	Los Altos	California	94022	United States	10/23/2015
Linda Takagi	Mountain View	California	94043	United States	10/23/2015
Shengluan Zhong	San Jose	California	95120	United States	10/23/2015
Zahra Miller	Los Altos	California	94024	United States	10/24/2015
Dana Willson	San Jose	California	95132	United States	10/24/2015
Joan McNulty	Los Altos	California	94022	United States	10/24/2015
Steven Peng	Cupertino	California	95014	United States	10/24/2015
Wendy Wu	Oakland	California	94603	United States	10/24/2015
Nena Price	Sunnyvale	California	94087	United States	10/24/2015

Mark Tian	San Jose	California	95112	United States	10/24/2015
Daimian Wang	Fremont	California	94555	United States	10/24/2015
Tina Kyriakis	Los Altos	California	94022	United States	10/24/2015
Mar Andres	Oak View	California	93022	United States	10/24/2015
Fang Truong	San Jose	California	95158	United States	10/24/2015
Deniece Smith	Mountain View	California	94041	United States	10/24/2015
Vicki Geers	Los Altos	California	94022	United States	10/24/2015
Kathy Perez	San Antonio	Texas	78238	United States	10/24/2015
Daniel Decker	Los Gatos	California	95032	United States	10/25/2015
qin zhu	圣荷西	California	95128	United States	10/25/2015
Richard Schlarb	Livermore	California	94551	United States	10/25/2015
Karen Scheel	Los Altos	California	94022	United States	10/25/2015
Michael Crowell	Fairfield	California	94534	United States	10/25/2015
tim lui	San Jose	California	95131	United States	10/25/2015
Karrie Lynn	San Jose	California	95117	United States	10/25/2015
Karen Lynn	Cupertino	California	95114	United States	10/25/2015
Len Maggiore	San Jose	California	95124	United States	10/26/2015
Michal Skyba	San Jose	California	95120	United States	10/26/2015
Shyla Batliwalla	San Francisco	California	94102	United States	10/26/2015
Sarah Xu	Sunnyvale	California	94087	United States	10/26/2015
Steve Singh	San Carlos	California	94070	United States	10/26/2015
Susan Prasad	San Jose	California	95112	United States	10/26/2015
Frederico Maciel	San Jose	California	95135	United States	10/27/2015
pat ryan	Mountain View	California	94043	United States	10/27/2015
Jae Allen	San Jose	California	95128	United States	10/27/2015
Zeena Batliwalla	San Francisco	California	94122	United States	10/27/2015
Alberto Sevilla	San Jose	California	95129	United States	10/27/2015
Sherwood Goozee	Medford	Oregon	97504	United States	10/27/2015
Hoang Nguyen	San Jose	California	95112	United States	10/27/2015
Maryanne Nola	San Jose	California	95129	United States	10/27/2015
Moris and Jackie Ronen	San Jose	California	95124	United States	10/27/2015
Kathy Horvath	Los Altos	California	94022	United States	10/28/2015
Deo Caruana	Alviso	California	95002	United States	10/28/2015
Medi Montaseri	San Jose	California	95173	United States	10/28/2015
David Dudek	Scotts Valley	California	95066	United States	10/28/2015
Raman Yousefi	Park Ridge	Illinois	60068	United States	10/28/2015
Gina Whitney	San Jose	California	95139	United States	10/28/2015
Jason Rowan	San Jose	California	95112	United States	10/28/2015
Dona Rabe-Ryan	Mountain View	California	94043	United States	10/28/2015
Maria Santo	Fremont	California	94536	United States	10/28/2015
Frederick Dudek	Arlington Heights	Illinois	60004	United States	10/28/2015
Shashi Jaggia	Cupertino	California	95014	United States	10/28/2015
SUNIL JAGGIA	Los Altos	California	94024	United States	10/28/2015
Inder Narang	Los Altos	California	94022	United States	10/28/2015
Prakash Vaswani	Los Altos	California	94024	United States	10/28/2015
Dana Dyo	Gilroy	California	95020	United States	10/29/2015
Daniel Dyo	Santa Clara	California	95050	United States	10/29/2015

Jong Peter	Los Altos	California	94024	United States	10/29/2015
Susan Dudek	Arlington Heights	Illinois	60004	United States	10/29/2015
Hai Hua Kuang	Alameda	California	94501	United States	10/29/2015
Celestina Pastor	Sparks	Nevada	89441	United States	10/30/2015
Karen Kao	San Jose	California	95112	United States	10/30/2015
Diane Worth	Milpitas	California	95035	United States	10/30/2015
Natalie Wang	Stanford	California	94305	United States	10/30/2015
Erik Worth	Milpitas	California	95035	United States	10/30/2015
Jason Bowman	Placerville	California	95667	United States	10/31/2015
Albert Knudson	San Jose	California	95124	United States	10/31/2015
Audrey Okubo	San Jose	California	95129	United States	11/1/2015
Greg Spindola	San Jose	California	95124	United States	11/6/2015
Mahesh Kunjal	San Jose	California	95117	United States	11/6/2015
Glenn & Marilyn Frizzell	San Jose	California	95132	United States	11/6/2015
Jennifer Liu	Palo Alto	California	94303	United States	11/6/2015
Mike Bauer	San Jose	California	95136	United States	11/6/2015
Eleanor Perazzo	Saratoga	California	95070	United States	11/6/2015
Christina Van Zandt	San Jose	California	95117	United States	11/6/2015
Bo Liu	San Jose	California	95148	United States	11/6/2015
Jerry N/A	Santa Clara	California	95050	United States	11/6/2015
Dan Blomquist	Livermore	California	94550	United States	11/6/2015
Benny Mathew	Fremont	California	94539	United States	11/6/2015
Phuong Malkin	San Jose	California	95112	United States	11/6/2015
Anil Patel	San Jose	California	95112	United States	11/7/2015
Roger Cory	San Jose	California	95132	United States	11/7/2015
Carl Balistreri	San Jose	California	95126	United States	11/8/2015
\Pete Anderson petesfloorswd@	San Jos|	California	San Jose, CA	United States	11/9/2015
Frank De La Cruz	San Jose	California	95130	United States	11/9/2015
Niles Moseley	Los Altos	California	94022	United States	11/9/2015
Jeff Zell	San Jose	California	95125	United States	11/10/2015
Dennis Orsini	Fremont	California	94539	United States	11/11/2015
Isaac Agam	Palo Alto	California	94303	United States	11/11/2015
max edwards	melbourne	California	90210	United States	11/12/2015
Jessica Lynn	Santa Clara	California	95050	United States	11/15/2015
Cynthia Zhang	LOS GATOS	California	94032	United States	11/17/2015
Lien Vu	San Jose	California	95132	United States	12/16/2015
Son Nguyen	San Jose	California	95132	United States	12/16/2015
Duc Vu	San Jose	California	95122	United States	12/18/2015
Mary Carp	Milpitas	California	95035	United States	2/4/2016
Sandy Adams	San Jose	California	95125	United States	3/9/2016
Lita Ruble	Los Gatos	California	95030	United States	3/10/2016
meghan mcphail	San Jose	California	95126	United States	3/10/2016
Sarah Riqueros	San Jose	California	95120	United States	3/10/2016
john adams	San Jose	California	95116	United States	3/10/2016
Andrea Caldwell	San Jose	California	95138	United States	3/10/2016
Andrew Do	San Jose	California	95148	United States	3/10/2016
Joi Walker	San Jose	California	95148	United States	3/10/2016

Lisa Grisalin	Campbell	California	95008	United States	3/10/2016
Russ Cowley	San Ramon	California	94583	United States	3/10/2016
Diane LoVerde	San Jose	California	95138	United States	3/10/2016
Andre Grisalin	San Jose	California	95120	United States	3/10/2016
Virginia Tamblyn	Cupertino	California	95014-3324	United States	3/10/2016
Cal Takhar	San Jose	California	95130	United States	3/10/2016
Ruby Tsai	San Jose	California	95138	United States	3/10/2016
Lisa Goodman	San Jose	California	95138	United States	3/10/2016
Vincent Tsai	San Jose	California	95138	United States	3/10/2016
Diane Sampson	San Jose	California	95150	United States	3/10/2016
John Bowen	San Jose	California	95125	United States	3/10/2016
Charles Adams	Campbell	California	95008	United States	3/10/2016
Michael Sibilia	San Jose	California	95125	United States	3/10/2016
James Endo	San Jose	California	95123	United States	3/10/2016
Ayshe Guraydin	San Jose	California	95125	United States	3/10/2016
Trish Hein	San Jose	California	95124	United States	3/10/2016
Yajnesh Rai	Campbell	California	95008	United States	3/10/2016
Vickie Chandler	San Jose	California	95124	United States	3/10/2016
Mark Devlin	Los Gatos	California	95032	United States	3/11/2016
Ling hullon	San Jose	California	95129	United States	3/11/2016
Jenny Yie	San Jose	California	95129	United States	3/11/2016
Jorge Zegarra	San Jose	California	95133	United States	3/11/2016
fran turano	San Jose	California	95159	United States	3/11/2016
paul burdick	San Jose	California	95126	United States	3/11/2016
Rowena Asai	San Jose	California	95124	United States	3/11/2016
Richard Hebert Jr	Campbell	California	95008	United States	3/11/2016
BARBARA BAIN	Felton	California	95018	United States	3/11/2016
Patrick Crema	San Jose	California	95128	United States	3/11/2016
Sharon LaBelle	San Jose	California	95117	United States	3/11/2016
Kourosh Nassiri	Redwood City	California	94061	United States	3/11/2016
B West	Cupertino	California	95014	United States	3/11/2016
Syeda Badar	San Jose	California	95135	United States	3/11/2016
Gordon K Young	Palo Alto	California	94303-0670	United States	3/11/2016
Brad Abbott	Saratoga	California	95070	United States	3/11/2016
Jewel Leake	Campbell	California	95008	United States	3/11/2016
Alfio Crema	San Jose	California	95128	United States	3/11/2016
Yoshi Yamanouchi	Fair Oaks	California	95628	United States	3/11/2016
Ruth Sosa	San Jose	California	95125	United States	3/11/2016
Andrew Buchanan	San Jose	California	95120	United States	3/11/2016
Jennifer Walshe	San Jose	California	95125	United States	3/11/2016
Gloria Radam	Santa Clara	California	95051	United States	3/11/2016
David Mowbray	San Jose	California	95128	United States	3/11/2016
George Patterson	San Jose	California	95123	United States	3/11/2016
Kim Roper	Los Gatos	California	95031	United States	3/11/2016
Steve Daniels	San Jose	California	95124	United States	3/11/2016
Dennis Perez	Santa Clara	California	95051	United States	3/11/2016
dave Campagna	San Jose	California	95123	United States	3/11/2016

Rodger Shaheen	San Jose	California		95125	United States	3/11/2016
Kenneth Garrett	San Jose	California		95126	United States	3/11/2016
Matt Radchenko	San Jose	California		95125	United States	3/11/2016
Jim LaFrom	Truckee	California		96161	United States	3/12/2016
Helen Shaw	San Jose	California		95129	United States	3/12/2016
Ivan Margaretich	Los Altos	California		94024	United States	3/12/2016
Kathryn Wilson	Scotts Valley	California		95066	United States	3/12/2016
Simona Goldstein	San Jose	California		95135	United States	3/12/2016
Susan Tharp	San Jose	California		95117	United States	3/13/2016
Charles SHAO	Los Altos	California		94022	United States	3/13/2016
S Takhar	San Jose	California		95130	United States	3/13/2016
Margaret Flores	San Jose	California		95126	United States	3/14/2016
Joseph Tersigni	San Jose	California		95125	United States	3/14/2016
Jaklyn Pichardo	Campbell	California		95011	United States	3/15/2016
Kathleen Kelly	Santa Clara	California		95050	United States	3/15/2016
Paaras Mehta	San Jose	California		95120	United States	3/16/2016
Low Low	San Jose	California		95117	United States	3/16/2016
Efrain Ramos	san jose	California	CA		United States	3/16/2016
Richard Ho	Mountain View	California		94043	United States	3/16/2016
Jim Chitwood	Santa Clara	California		95051	United States	3/16/2016
Jill Uda	San Jose	California		95134	United States	3/16/2016
Ken Yeung	San Jose	California		95124	United States	3/17/2016
Milton Zegarra	San Jose	California		95126	United States	3/17/2016
David Kraszewski	San Jose	California		95112	United States	3/17/2016
kevin song	Saratoga	California		95070	United States	3/18/2016
Kin-man Kan	Saratoga	California		95070	United States	3/18/2016
Chengjun (Susan) Shi	Cupertino	California		95014	United States	3/18/2016
Ellis Hung	San Jose	California		95117	United States	3/18/2016
Oren Katzir	San Jose	California		95124	United States	3/18/2016
Colleen Badagliacco	San Jose	California		95125	United States	3/18/2016
Mark George	San Jose	California		95120	United States	3/18/2016
Rich Kwok	San Jose	California		95131	United States	3/19/2016
Robert Badagliacco	San Jose	California		95125	United States	3/21/2016
fran turano	San Jose	California		95159	United States	3/23/2016
Andrew Chan	Saratoga	California		95070	United States	3/23/2016
Deepak Prabhakar	San Jose	California		95132	United States	3/23/2016
Debbie Indihar Giordano	Milpitas	California		95035	United States	3/23/2016
Suzanne Mocherman	San Jose	California		95124	United States	3/23/2016
david eisbach	san jose	California		95117	United States	3/23/2016
Glenda Crespo	San Jose	California		95126	United States	3/24/2016
Bai Bee Yeh	San Jose	California		95124	United States	3/24/2016
Ann Yap	Floriston	California		96111	United States	3/24/2016
Steve Han	San Jose	California		95170	United States	3/25/2016
Jeanette Jordan	San Jose	California		95117	United States	3/25/2016
cj Fang	Palo Alto	California		94301	United States	3/28/2016
Diana Lim	Santa Clara	California		95054	United States	3/30/2016

From: Steve Flemmer [mailto:[redacted]]
Sent: Thursday, March 31, 2016 2:08 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Cc: Steve Flemmer <sdflemmer@yahoo.com>
Subject: Opposition Letter to the Proposed ARO Changes.

March 30, 2016

Dear City of San Jose Mayor and Council Members,

This letter is written to you in response to the recommendations of the advisory committee, related to the new proposals to the ARO for our city of San Jose. I am opposed to the new proposed change to the ARO and I want to tell you why!

My family has lived, owned and operated rental units in the downtown area of San Jose for over 50 years. My father owns 19 rental units on 7th Street, consisting of single family homes, duplexes and 4-plexes. My 83 year old father has owned and operated this small family business himself until he was diagnosed with Alzheimer's disease 3 years ago. This was his livelihood, and his units were barely making ends meet with all the repairs needed. Now it has become my sister's and my own livelihood as well. We had to retire early from our careers to keep this business running. These 19 rental units have become now 3 families investments for our future retirements.

These units are 75-140 years old, and are in need of major repair and constant maintenance due to aging roof, sewer and water lines, not to mention the buildings themselves with updating the electrical systems, renovating kitchens and bathrooms that still had much of the original fixtures. These last few years we have been able to totally renovate and add 4 units to the housing market that were previously sitting stagnate and unrentable. Being able to do these renovations, gives our tenants a nicer dwelling to call home, increases our property value and makes for a nicer neighborhood. With the limitations this proposal is asking for, grossly limits our resources in doing these repairs and renovations. With these limitations being proposed, we'd only be able to provide patching and fix-it bandages to these aging units. This proposal is unfair to only target these older type of units that have a higher cost of maintenance. With this limit proposal as it is, will only increase the rundown houses, and rental units in our city's neighborhoods. This proposal will limit the profits that the owners will have to keep up with major repairs. Why should we the owners bear all of the cost of providing our city with lower cost housing?

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older units of ARO housing. With this proposal, there is little incentive to make significant improvements to rental units and our neighborhoods. Forcing owners to justify whether they can make a profit shouldn't be the basis for passing on capital improvements.
I believe a fixed rate maximum allowable rent increase with a clear process for passing on capital expenses is much better than the staff's proposal. It is less complex and cumbersome for

owners and city administrators. This said, there would not be a need for significant increase in staffing to monitor and regulate these ARO units. Trying to create this proposal and the gross amount of staffing proposed to be needed for it's administration is ludicrous.

I am opposed to these proposed changes to the ARO, as the CPI also does not take into account the increasing cost of property taxes, insurance, utility bills etc. If this proposal takes effect, then the city should freeze the property taxes for the duration of the proposed rent control. I am opposed to the proposal of the ARO, as it seems to go against our democracy, our right to free trade. It appears to just be overreach by our government and is totally unfair to business owners. I say again, why should we the small business owners bear most, if not all of the cost of providing our city and neighborhoods with lower cost housing?! The solution to our affordability crisis is to increase our city's housing supply. I would encourage you and our city leaders to explore ways that would increase this supply and not increase such burdensome regulations on the people.

Sincerely

Steve Flemmer

[redacted]

From: birkeland .brian [redacted]
Sent: Thursday, March 31, 2016 2:25 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Cc: CAA Tri-County Joshua Howard Executive Director [redacted]
Subject: Rent Ordinance public comment due by 3/31/16

Dear Mayor and Council,

My family has owned apartment buildings near SJSU for nearly 40 years. While the "rent control" program you have isn't perfect the new "aro" proposals are terrible.

Please don't add 30 more bureaucrats and more silly restrictions on landlords. Are you trying to send us to an early retirement or turn our units to condos as many in San Francisco have done in the face of ever increasing rent control restrictions?

All Nobel prize winning economic studies on rent control worldwide show it as a dismal failure. Check it out on Google for yourselves!

Please work with members of TCAA to come to a better solution. In the mean time, work on increasing the supply of housing stock as it is the key to the future.

Sincerely,
Brian Birkeland, TCAA member # 21077

Brian Birkeland
Sent from [redacted]

From: Jicheng Gu [mailto:[redacted]
Sent: Thursday, March 31, 2016 2:51 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Fwd: Strongly Against New ARO

Dear Mayor and Council members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Jicheng Gu

From: Di Yao [mail[redacted]
Sent: Thursday, March 31, 2016 9:48 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Strongly Against New ARO

Dear Mayor and Council members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Di Yao

From: Anne Stewart [mailto[redacted]
Sent: Thursday, March 31, 2016 3:22 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Rent Control Changes

I have owned two older apartments in San Jose for over 35 years and I am a good landlord. I have never raised the rents over a high of 5 percent (usually around 2%) and feel the 8 percent cap is too high. However, reducing the cap to the cost of living index is unreasonably low. Many of the costs of owning rental property have gone up much more than the cost of living index. It is the older units which are under rent control and these older units cost more to keep up. For example, I have just spent $56,000 for dual pane windows for 28 units. Add to this the cost of toilets which use less water, etc. it requires large capitol investments.

When the city makes regulations which reduce the profits for owners, this reduces the incentive for developers to build more housing. Surely increasing the supply of housing is an important part of keeping rents low. When rents are kept artificially low, people stay in the rent controlled, least expensive units thereby reducing the low cost units available for those who most need it.

Please vote for a reasonable rental cap rate.

Sincerely,
Anne Stewart

From: Gary Lee [mailto[redacted]
Sent: Thursday, March 31, 2016 8:35 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Rent Control Changes

Dear Mayor and Councilmembers:

I've written a letter before, but have not received acknowledgement from you. I'm wondering if you are reading them.

I started with no money out of school, and worked for over 30 years to get to my small group of apartments. In some years, like now, we have been able to raise rents. In other years such as 2001 and 2009 we have had to lowered rents. Overall, since the year 2000, our rent raises have averaged 3.2%. I've seen articles stating that it costs $2,500 - $3,000 a month to rent an apartment unit in San Jose. In my neighborhood, we have no units even close to that. Fully remodeled units with new appliances, new cabinets, and granite countertops rent for $1,850. I want to continue to improve my units, and make our neighborhood better. A CPI based increase will make that impossible.

San Francisco and other cities have rent controlled units similar to what you have proposed to vote on. They are all a disaster. Rent control of this level keeps existing tenants in place, without regards to their ability to pay. It doesn't provide housing for those who need a break. Only producing more affordable units, either directly by the City or in part of a percentage of new projects will provide affordable housing.

Our properties are in very good condition, as we have been able to afford upgrades. The new proposal will effectively stop us from improving our property. Adding 30 staff positions to monitor us is a waste of City resources which could be better spent on police or other personal. Please consider a method of increasing supply of affordable housing units as the best method of solving the housing bubble. Don't just pick on a minority of older apartment owners who are doing there best generally to solve this issue.

Sincerely,
Gary Lee
[redacted]
San Jose, CA 95116

From: Nancy Da Silva [mailto[redacted]
Sent: Thursday, March 31, 2016 3:56 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Changes to the Apartment Rent Ordinance

Dear Mayor and members of the City Council,

My husband and I purchased a fourplex as our investment vehicle to save for our children's college funds. We bought an old building with a lot of deferred maintenance since that was all we could afford. Each year we have been improving the property little by little. The proposed changes to the Apartment Rent Ordinance will make it very difficult for us to continue making improvements to the building while also covering the typical annual expenses (e.g., property taxes, repairs etc.).

It is also very discouraging to think that the City will impose an extremely strict rent control limit on older buildings, but no restrictions on rent or on providing affordable units in all the new developments that I see in San Jose. Even though we live and work in San Jose if these changes go through we will probably sell our property and invest in San Mateo county which is more landlord friendly.

We were tenants for over two decades so I feel for tenants in the Bay area and the increasing rents. However, we didn't use all our savings to subsidize housing for renters. We are not a nonprofit organization, we are just a family trying to figure out how to help our kids pay the high college tuition costs that are just around the corner.

Regards,
Nancy Da Silva

From: P Staehr [mailto[redacted]
Sent: Thursday, March 31, 2016 3:39 PM
To: The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; Jones, Chappie <Chappie.Jones@sanjoseca.gov>; Kalra, Ash <ash.kalra@sanjoseca.gov>; Peralez, Raul <Raul.Peralez@sanjoseca.gov>; Matthews, Margie <Margie.Matthews@sanjoseca.gov>; Carrasco, Magdalena <Magdalena.Carrasco@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; Nguyen, Tam <Tam.Nguyen@sanjoseca.gov>; Rocha, Donald <Donald.Rocha@sanjoseca.gov>; Khamis, Johnny <johnny.khamis@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; District2 <District2@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; district6@sanjoseca.gov; District7 <District7@sanjoseca.gov>
Cc: P Staehr <pmstaehr@yahoo.com>
Subject: Please do not support the proposed changes to the Apartment Rent Ordinance (ARO)

Dear Mayor Liccardo, Dear Vice Mayor Rose Herrera, Dear Councilmembers:

As a rental property owner in San Jose, I am deeply concerned about and oppose the proposed amendments to the city's Apartment Rent Ordinance. The proposed regulations will jeopardize safe, quality housing for our residents. I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

I bought my 4-plex apartment in San Jose in 2013 to secure the retirement for my family. I want to do the right thing – providing quality housing at a fair price. The rents of my long-term tenants are very low and well below market price. With my purchase of the rental property the property tax was increased substantially based on the purchase price - to the benefit of the county and the city of San Jose!

If the proposed rent ordinance became reality the city of San Jose would punish me as a small landlord as rent increases allowed by the new ordinance would not cover the running costs and property tax liability of the building. With the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through there would be no incentive for me to do any repairs or updates. Had I known about the city's plans of changing the ARO at the time of my purchase, I would not have considered buying a rental property in the city of San Jose.

In general, the current proposal would result in the deterioration and under-maintenance of rent-controlled units in San Jose and restrict property owners' ability to provide safe, quality housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis.

I agree, we have a housing crisis! However, the only way we can address housing affordability is to make more housing available and support the construction of more housing for families of all income levels. Stricter regulations won't solve our problems. A fixed-rate maximum allowable rent increase with a clear process for passing on capital expenses is far superior than the staff's proposal. Please don't unfairly punish the mom and pop landlords.

Sincerely,

Peter Staehr

DRB Investment Group
[redacted] Woodside, California, 94062, [redacted]

March 30, 2016

Dear Mayor and Councilmembers:

I have been providing housing in the downtown San Jose core for almost 30 years. It is with a heavy heart and great sadness that you are considering crippling the downtown core vitality and improvements now occurring. We along with many other owners have been investing and improving our properties in the downtown core to yes, improve our own financial condition, but also to improve the whole downtown area. This is not an easy effort, but is a lot of work and very costly and risky. The investment, if successful, will also improve the overall City of San Jose.

The rent control that is being considered will significantly impede and stop this improvement that the City of San Jose is experiencing.

As I stated, I have been an investor in the downtown core for almost 30 years. About 30 years ago the then Mayor and Councilmembers most likely unknowingly, significantly damaged the downtown core area of San Jose by voting to scatter half way houses throughout the downtown area. This strategic decision by the then Mayor and Councilmembers brought crime, drugs, and prostitution to the downtown area in a major way. We could stand outside our properties and watch drug deals go down almost any day and on any corner. Nobody wanted to live in the downtown area. Rents plummeted! There were other economic factors at the time but the City's decision was key.

After many years of damage, the then new Mayor and Councilmembers decided to spend millions of extra dollars of city funds to locate police patrols, both painted patrol cars and plain clothes cars, in locally set up precincts, in churches, and in many other areas to attempt to control the situation. We, as residential leaders in the area, had private telephone numbers to local plain clothes policemen that we could call. The plain clothes and painted patrols would arrive within minutes to help curb the situation. The City spent untold extra millions to work on the problem and for many years.

The city also gave the downtown owners millions in cash grants to paint and make improvements to their properties. The situation was sad. We also participated in those grants at the time, in our struggle to hang on.

Again, the City of San Jose contributed greatly to the original problem by placing half way house strategically around the downtown area as if they intentionally wanted to damage the area. Of course, they did not want or desire this result, but that is what happened. There were many mentally inhibited individuals that seriously needed help but the solution the then current Mayor and Councilmembers chose took down the whole area. In hindsight it was a very

DRB Investment Group
[redacted], Woodside, California, 94062, [redacted]

wrong decision. The City of San Jose and new Mayor had to spend millions of City funds to correct the problem that their former officials had caused or significantly encouraged.

Again, our rents in the area plummeted as we, as investors, struggled to hang on. Nobody wanted to live in the area.

I understand that you were not the responsible individuals at that time and you will most likely not be the responsible city officials when the damage by the current proposal take hold, but please seriously think about what you are proposing.

The area has been improving and outside investors are spending hundreds of thousands of dollars to improve their properties as we have done. We have spent over $700,000.00 so far to improve property we already owned; not new purchases, and have obeyed the current rent control rules and regulations.

The current rent control proposal will stop this investment almost in a heartbeat and penalize us for being law abiding citizens to past legislation!

There are many incorrect assumptions in the current report that have been presented to us in the various meetings but that does not seem to stop the consultants from presenting an obviously biased study to you as Mayor or Councilmembers.

It is as if the end result was predisposed and it was just a desire to pay for a study to support the predisposed conclusion. You may get brownie points from one faction but the cost you are proposing will be high. The housing shortage is real, but why strategically damage the downtown revitalization effort currently underway with a proposal to cut the legs off this effort. These opportunities to improve a city are rare. And the current rents are already softening significantly.

Unfortunately, with the current proposal, we will not have much incentive to continue our investment work currently underway.

There are many inaccuracies and problems with the rent control proposal which I am not including here as they are outlined in many other letters to you. I only hope that you read these letters and strongly consider what you may doing to the City of San Jose and its future!

Respectfully,

David Bleile

My name is Paul Valentine and I am a San Jose resident, and ARO property owner and a VASH-HUD landlord participant. I invest in residential property not only for a fair return, but to make the community a better place to live. After the down turn and seeing many houses in our neighborhood vacant and crime skyrocketing, I focused my efforts in making San Jose better by investing. In the past few years our family bought a number of units, 50% of which where vacant due to inhabitability and investing over $300,000 in rehabilitation and capital improvements. We were even encouraged to do so by city council members and the Housing Department whose motto is *"Our mission is to strengthen and revitalize our community through housing and neighborhood investment."* Something our family believed it was doing, and doing it well.

Over the past two years, there has been a lot of debate on the ethics of ARO property owners' efforts. We have been called racist, sexist, and "evil" in City Council debates by tenant advocates. The entire (tiny minority) population of ARO property owners have been vilified in the newspapers and television. Note, these ad hominem attacks do not create and housing unit or bring the city closer to an affordable housing solution. Much of the source statistics used by the press and tenant advocates are from the San Jose Housing department. Other ARO owners and myself have repeatedly questioned the statistics as not relevant to ARO properties or misleading. The recommendations are direct result of these misleading statistics. Even as the public advisory board voted down every one of the recommendations, San Jose Housing is still publishing them and pushing the associated recommendations.

Please see my comments on the ARO Prelim report and Housing Recommendations, notably the misrepresentation of rents levels, rent growth, and cost structure. I am disappointed in the recommendations as they go far beyond the mandate of the city council and see the recommendation as punitive in nature. It is not clear what the motivation is of a department that is supposed to be unbiased towards landlords and tenants going so far beyond their mandate.

<u>ARO Rents</u>

Median ARO Rents are much lower than reported by SJ Housing Department Quarterly Report. They are not $2436 like SJ Housing reports in their housing statistics quarterly report, but $1445 per SJ Housing Preliminary report. The number SJ Housing is using in the debate is $1000 over the number's their own consultant found. Rents increased 21% from 1994, but the underlying acquisition costs rose 84% (again from the Prelim Report), thus the underlying costs grew 400% faster that the rent.

ARO Rent increases are much lower than reported by SJ Housing Department. ARO Rents are not rising 9% YoY, but have gone up a non-inflation adjusted average of 2.5% per year since 2000 (per SJ Housing Preliminary report). The 2.5% increase in ARO includes the increases allowed with vacancy decontrol, so an ARO tenant who has not moved has seen a much smaller increase than 2.5% per year.

San Jose has plenty of vacancies, as reported by SJ Housing Department. Current SJ Vacancy rate is 6.3%, 5.4% over the last two quarters, and well above natural level. This would be enough to release NYC apartments from current rent control. The reason rent is high is because land and building costs are very high, $200,000 per ARO unit, and operating expenses are very high.

Operating Expenses

Water Costs are rising much faster than inflation. The average monthly water bill for a residential customer of San Jose Water is $70 and in 2015 saw a 15% rate increase for San Jose. Per CPUC application, water will increase 20.7% over the next 3 years.

Garbage Collection cost is rising faster than inflation. Garbage collection costs increased 4% in 2015 alone.

Garbage Collection, Landscaping and Management will see significant increases in the future. Garbage Collection, Landscaping and Management are labor intensive expenses and will see a significant cost increase as labor rates will jump 50% over next 4-5 years with the implementation of the new minimum wages law.

Recommendation

CPI rent increases – Water, Waste, Utilities, and Landscaping costs, which are a large share of expenses, are growing at a much faster rate than inflation.

Debt Service Pass through – Debt Service Pass through is used so infrequently this should not even be under discussion. However, it is critical to ensure landlords are not forced into bankruptcy due to interest rate changes. Most commercial loans are not 30 year fixed, but 3 and 5 year ARMs. Adjustable interest rates have been as much as double the current rate in the past decade. The current ARO is designed to protect tenants from major swings in costs, the city should also protect landlords from major swings in underlying costs that are beyond landlord's control.

MNOI and Fair Return – Adjudicated fair returns are not fair at all. To consider what is fair, one must look at comparative investments and associated risk. While the Preliminary report boast of a generous return of 84% from 1994 to 2015 for ARO properties, the SP rose 362% in the same period, from $445 to $2059. This does not consider the capital improvements and transaction costs associated with real estate. Additionally, Cap Rates, the measure of a properties operating profit, have been dropping steadily over the past 3 decades. 88% of the ARO owners are local to the Bay Area. The motivation to buy and invest in these buildings is as much

about profit as making the place we live and raise our children a better place. Certainly investing in a passive SP500 fund is much more profitable.

Capital Improvement – San Jose does not just have a quantity problem in housing, it has a massive quality issues as well. 67% of ARO buildings are over 47 years old and 45% of the buildings are Tier III Categorized. San Jose apartments are old and in many cases run down. It will require significant Capital Improvement and Rehabilitation investment to achieve a standard of living required people to lead a dignified life. The current recommendation of capping rent increases and removing the ability to recoup investment costs will have a very negative effect. There will be a significant penalty to ARO property owners who do invest.

Adding 30 Full Time Employees – $4.5M annual expenses for more city employees, their pensions, healthcare and other overhead will not create one affordable unit. Would this money not be better spent actually building units or partnering with landlords to create more housing for low wage earners?

From: Sunny 920 [mailto:[redacted]
Sent: Thursday, March 31, 2016 4:50 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Rent Control Ordinance Comment

March 31, 2016
Mayor & Councilmembers
City of San Jose
200 East Santa Clara Street
18th Floor
San Jose CA 95113

Dear Mr. San Jose City Official/San Jose Mayor,

My name is Annie, and I am one of the mom and pop housing providers owning the ARO units in San Jose. I am working very hard in my rental units for my retirement income, including gardener job, pulling dumpster to the street for trash disposal, cleaning and updating the apartments for next incoming tenants.

Rent control is not a solution for creating affordable housing. The City should reach out and search the solutions by learning how other cities and countries solving the issue effectively and intelligently. The new proposed changes only affect rental buildings built before 1979. This is really unreasonable to operate and maintain the 60-years old 4-plex with limiting the rent to 2% increase, as the minimum wages in California keep rising as well as the utility expenses. Also, hiring 15-30 staff to maintain the new proposed ordinance for those rental units built before 1979 is another irrational and hasty plan as it only accounts for a minority of the total rental units in San Jose.

It is clear that the rents at San Jose are much lower than those in the neighboring cities and there are a lot of tenants moving down to San Jose City for cheaper rents. ARO units are not the problem, the ARO buildings in the bay area are old, require high maintenance cost. With the low 2% rent increase it is almost impossible to upgrade and maintenance as well as to keep it safe. It is an ignorant economic reasoning for the new proposed rent control policy. I would encourage the Council to explore opportunities to expand the availability of housing because supply is the only fair way of addressing affordability.

Thank you very much for your consideration.

Sincerely yours,

Annie NG

Response to the City of San Jose Housing Department's ARO Recommendation dated March 1, 2016

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Overview

Any one who takes the time to look at the information (Business Model, Rents, Vacancies, Expenses, Impact) specific to ARO rentals quickly realizes the Housing Departments' proposed changes to ARO Policy is bad for San Jose. Changes are not friendly to small business, will increase crime, will reduce quality of life for renters, and will negatively impact property tax revenue. Worse, these changes will be hardest on the poor and minorities who already enjoy below market rents. Note: an estimated 80% of ARO units are rented AND owned by minorities.

The City of San Jose Housing Department has been giving Council and the Public information from non-ARO buildings. This makes it easier to justify the recommendation to almost double their staff and to force an estimated 38% of responsible affordable housing providers to operate at a loss.

After spending months intensely researching the impact of rent control, it's clear why even the most liberal of economists agree rent control does not work. They say it reduces the quantity of affordable housing and that the poor are hit the hardest. This is why Bay Area cities considering rent control are rejecting it. Some cities, such as Cambridge, are even eliminating rent control policies they have had.

Recommendation Defies Rules of Business

Any viable business, charges clients for the cost of doing business and allows for a profit margin in reward for providing a service. Affordable housing providers are no different.

Singling out one group of small business owners (mostly mom and pops who are minorities) in one industry to not operate under the normal rules of business, because 10 other California cities have done it, is not good for San Jose. Here's why: The more restrictive the policy, the lower the quality of life of its residents. Cities with Just Cause ordinance are among the most dangerous.

On March 21st, Housing & Community Development Commissioner, Lee Thompson said, *This is a social problem . . . We need to own since the city created it*

A Sledgehammer isn't Needed to Hang a Family Photo

The stories about skyrocketing rents and single moms getting evicted are heart wrenching. If you listen closely and understand the ARO policy, you quickly realize most do not live in ARO units. Despite skyrocketing rents, average rents in San Jose's ARO units are $1,388 and Termination of Tenancy's reported average 28 per year, resulting in 22 or less hearings per year.

The Housing Department is using the housing crisis as an opportunity to build staff when it won't improve the situation. The proposed changes won't reduce market rents and won't help the people whose stories are being reported.

Rent control will stabilize rents for 11% of San Jose's renters. Until the REIT and developers bulldoze the affordable housing because the small mom and pops were pushed out of San Jose. Then that percent will decline.

Except Los Gatos' crime ranking, San Jose has the best measures of every California rent controlled city looking at quality of life and cost of living issues found. (Data on Page 12) This is because San Jose has the most balanced and fair rent control policies and does not have any type of cause ordinance.

Unintended Consequences not Worth Benefits

The Housing Department intends to increase the size and bureaucracy of the Housing Department without sharing data that shows these changes will work. The basis for The Housing Department's staff recommendations come from a study that excludes data from 90.6% percent of San Jose's ARO rental properties, rendering its conclusions invalid.

Here are some of the unintended consequences of the Recommendation:

1. Reduces Value and Sale of Multi-unit Properties and Property Tax Revenue
2. Makes San Jose Unfriendly to Small Business and Minorities
3. Increases Displacement of Minorities and Low-income Renters
4. Increases Homelessness and Crime especially in Affordable Neighborhoods
5. Increases Need for Social Services for Owners & Renters
6. Reduces Revenue for City Services
7. Reduces affordable housing available
8. Unfairly burdens building owners in the city
9. Devalue real estate in the city
10. Reduce vitally important property tax revenue

Conclusion

The recommendation is not balanced or fair for owners. It is written for renters and does not allow for a fair and reasonable return on value of property. More red tape and bureaucracy isn't the answer.

87% of participants at the March 16th meeting to review the recommendation did not support the recommendation. Jacky's recommendation is threatening our business and our renters' homes - renters who we care about.

Why copy the most expensive and dangerous cities? In Silicon Valley, we can be more innovative than this. Contrary to Housing Department's data, there is nothing standard about CPI or rent control. Consumer Price Index has nothing in its market basket that is relevant to the rental business. Only 11 California cities have a rent control policy. Other cities are rejecting rent control because it doesn't work.

The following information highlights problems with the Housing Department's Recommendation and includes cost-effective results-oriented recommendations that were shared during the ARO Advisory Council meetings.

Data, Analysis, and Sources Available Upon Request

Challenges with Housing Department's Recommendation

There are many problems with the Recommendation, dated March 1, 2016. They include:

Stabilizes Rent for 11% of San Jose's Renters

The justification for this proposal is current market rents. This will not stabilize market rents in ARO units because of vacancy decontrol. This recommendation will only impact rents for existing renters. ARO units are less than 37% of the available rental units in San Jose. Considering turnover estimates every four years of 70%, only 11% of San Jose's renters will be helped by this recommendation. (Source Housing Department)

Negatively Impacts Quality of Life

Comparing San Jose with the 10 other California cities that have rent control, it's clear that:

1. San Jose has the best measures of all rent controlled cities looking at quality of life and cost of living issues. (Except Los Gatos with USA.com's crime ranking.)
2. San Jose is the safest city with the lowest % of income spent on rent because it has the most balanced rent control policies and does not have any type of cause ordinance.
3. San Jose renters enjoy the lowest % of income spent on rent.
4. Except Los Gatos, Beverly Hills, Hayward, and Oakland, the crime ranking is directly related to the % increase in allowable rent. In the remaining 7 cities, the lower the allowable increase the worse the ranking.
5. 5 of the 10 most dangerous Bay Area cities have a Cause ordinance. It is because any type of Cause ordinance protects the dangerous criminals who account for 90% of the violent crime.

Diagram Attached on page 12. Sources: Forbes Safe City Rating, FBI, USA.com, Crime Ranking, CNN City Reports, California Office of Attorney General.

Bloated Bureaucracy and Red Tape

The City of San Jose's Housing Department's recommendation is complex and expensive to implement. Here is what Tenant Advocate Stakeholders said about it at the March 16th meeting when the Housing Department shared their recommendation:

- Eloise: *This is like the mafia; pay and we'll protect you.*
- Elisha: *We don't need this. There are better ways to find the bad landlords. Work with the non-profits.*

Data Doesn't Justify Solution

While there are really bad landlords, the numbers do not justify the solution.

The Hosing Department's Recommendation said, *Based on the input received, staff believes that most owners and tenants are good actors.* Out of 44,300 units, the Housing Department reports the following per year for the past 5 years on its 44,300 units:

1. 47 excessive rent increase complaints
2. 28 termination of tenancy
3. 22 required a hearing.

Housing already has staff for 58 hours per tenant complaint each year, 22 of which result in a hearing. Several stakeholders on the ARO Advisory Council, including a tenant advocate, have said numerous times, "*With these numbers why are we even here.*"

The bad guys (owners and renters) will not follow the law. They figure out quickly how to game any system. This recommendation squeezes the responsible owners and leaves everyone vulnerable to the dangerous renters.

Financial Data Provided Not From ARO Units

Very little of the $185,700 ARO Study is relevant to the discussion. Council requested the Housing Department evaluate the financial impact of Rent Control. The ARO Advisory council requested they consider the economic impact. They did neither adequately to justify their recommendation.

The financial data reported in the ARO Study is based on information from non-ARO buildings that were built after 1980 (with significantly less maintenance required) and had 50+ units (more economies of scale so expenses are a smaller % of rent). Source ARO Study page 128

The 33.5% operating expenses (as reported by the ARO Study page 130) does not represent the true cost of operating a small ARO building. Given the $1,388 average monthly rent the study reported, 33.5% only covers the cost of city fees/taxes and services/utilities provided for renters. This does not include maintenance, operations, debt service, or profit.

Small ARO buildings are 90.6% of the ARO units.

Housing Department Not Being Fair

City staff is guaranteed a 7.5% return on their pension <u>after</u> expenses with taxpayer dollars. Yet, their recommendation will limit rent increases on old buildings to 2.5% <u>before</u> expenses. This doesn't even include the discussion of profit. What business will remain than can't cover costs or make a profit?

The Housing Department will not allow write-offs, such as the cost of debt, even thought the Internal Revenue Service allows for it.

CPI Not Relevant

Only 7 California cities use the Consumer Price Index (CPI) to cap allowable rent increases. It's not standard or relevant.

CPI measures the cost of consumer goods, such as food, medicine, clothes, and toiletries. Less than 4% of the CPI basket could be relevant to rental properties. CPI is not the Rental Price Index. It does not measure the cost of electricians, plumbers, city fees, taxes, interest, and utilities.

Average rent in an ARO Unit is $1,388. Average CPI increase is 2.5%. This allows for a $34.70 monthly increase in rent. This wouldn't cover the cost of replacing a water heater. The CPI Cap would make it so approximately 38% of us could not increase our rent to cover our increase in expenses. (Source: Small Building Owners)

Not Good for San Jose

At the March 16th ARO Meeting, an owner read from a welcome letter from the Mayor that said, *Locating in San Jose is the best business decision.* The owner then said, *If I had known about this proposal, I would not have invested in this city. This punishes the small business.* (Steve)

There is evidence that sales of multi unit buildings started declining August 31st when San Jose Inside breaks news that San Jose Aims to Change rent control by 2016: http://www.sanjoseinside.com/2015/08/31/san-jose-aims-for-new-rent-control-ordinance-by-2016/

Sales of multi unit buildings in San Jose according to a recent MLS search:

Time Frame	# Of Multi-Unit Buildings Sold
2014	286
1/1/2015 - 8/31/2015	181
8/31/2015 - Announcement Made	
9/1/2015 - 12/31/2015	46
1/1/2016 to 3/31/2016	28

Agents confirm this unintended consequence. They are saying, *Investors won't touch San Jose because of proposed changes to rent control.*

Cost-effective Results-Oriented Recommendations

Education and Enforcement are the keys to improving the situation. Not monitoring good providers, forcing owners to keep dangerous renters, or restricting costs of operations.

Most of us are " good actors" according to the recommendation. We care about our renters. Let us stay in business and help with the affordable housing crisis. If the City of San Jose really wants to improve the situation and not just pave the way for developers by putting unwilling ARO providers out of business, prove that is true. Consider these lower cost, higher impact recommendations Stakeholders on the Advisory Council have been making.

Housing's Recommendation copies some of California's most expensive and dangerous cities. In Silicon Valley, we can be more innovative. Most of these easy to implement and cost-effective changes have been recommended to the Housing Department. Those in italics were not submitted.

Education

Recommendations & Suggested Improvements

1. Bring back Project Blossom to educate rental owners on best practices for Rentals.
2. Require those rental providers with serious code violations or found to be negligent through the enforcement process, to attend Project Blossom.
3. *Require the addition of a one-page addendum to the lease with Renters' Rights and the Rental Rights and Referral contact information.*
4. *Give owners the opportunity to comply by imposing small and then increasing fines to owners who do not provide the addendum.*
5. Identify violators and educate Renters' through Tenant Advocacy groups about this addendum.

Rationale

Education is the key to success for those rental providers and renters who need it. The problems this recommendation attempts to solve are mostly illegal. Owners are not supposed to evict a renter to increase rent. Renters have anti retaliation protections under state law. We need to educate both sides on rights and responsibilities to reduce any fear, uncertainty and doubt.

A one-page lease addendum that lists the Renters' rights around rent increases, termination of tenancy, and provides a phone number to call will help educate the Renter about the rules and remedies. Tenant Advocacy groups can help identify problem owners.

Identification & Enforcement

Recommendations & Suggested Improvements

1. Establish a multi-lingual Ombudsman program, like the Santa Clara County Association of Realtors. This will allow responsible Renters and Rental Owners to understand each other and come to an amiable resolution whenever it is possible.
2. Work with Tenant Advocate groups and Code Enforcement to identify potentially irresponsible rental owners. Establish a volunteer review committee with responsible Renters and Rental Owners to evaluate owners identified. If there is an irresponsible Rental Provider and education or the Ombudsman program doesn't solve it, then initiate proceedings.
3. Establish a balanced Mediation board with responsible Rental Owners as volunteers to hear cases involving pass through petitions and Renters' complaints against Rental Owners.

Rationale

Democracy presumes its citizens are innocent until proven guilty. Democracy starts with a position of trust. Most people will do the right thing. There are laws and fines in place if they do not. The Housing Department requesting the need to register ever owner exhibits a lack of trust.

Monitoring adds cost, but does not solve the problem. Bad landlords will always be bad landlords until caught. This targeted approach costs very little and will identify any possible problem owners efficiently without an expensive monitoring program.

Reporting rents and renter info to the city jeopardizes the privacy of our renters especially illegal immigrants and ex felons.

Please Note: Responsible owners want the slumlords out of the business even more than the city does. These bad apples make it harder for us to run our business effectively.

The City of San Jose reportedly favors renters in most proceedings. They have been reported to be too arbitrary and too biased even against the responsible Owners. There needs to be a balance with rental owners when evaluating the circumstances.

Rent Increases

Recommendations & Suggested Improvements

1. Keep the 8% and 21% increase allowed after 24 months for "banking" or "catch-up" purposes.
2. Keep the debt service pass through to maintain property tax revenues.
3. Simplify the maintenance service pass through to allow for and encourage improvement and maintenance. Allow receipts *and tax return* for approval. This provides a reward for those building owners who do the right thing.
4. Remove the Housing Department's right to reduce rents when there is a pass through.

Rationale

The current process and proposed recommendation are too complex and costly.

A "Catch-up" provision will make the high cost registry unnecessary and will allow Rental Owners to keep their rents as low as possible for as long as possible without worrying about survival. Is it fair for the man who's wife died of cancer and has rents of $900 per month not to increase his rent 21%? It's not fair to say he can only increase his rent $27 when costs increased $118 and his rent is so far below market. He has a business to run.

Debt Service Pass Through This does not create speculation as stated in the Recommendation. Its purpose is to protect property values (and therefor property taxes) when rents are below market.

The data used was on non-ARO buildings built after 1980 and with 50+ units. This data is no relevant to smaller ARO buildings, which are 90.6% of the ARO units. The report leaves the false impression that ARO building owners are making money hand over fist so a CPI increase won't be a problem.

The City of San Jose has been reported to be too arbitrary in what it allows and what it doesn't for pass through requests.

Limiting owners ability to pass on capital expenses will deter some owners from doing any more than the minimum they need to maintain their units. Or, it will force those of us who take pride in serving our clients and offering the best possible home to operate at a loss. Either way, the renters and owners lose.

Termination of Tenancy

Recommendations & Suggested Improvements

1. Do not add any form of an Anti Retaliatory Provision or a Good or Just Cause ordinance.
2. Use current law to deal with the Terminations of Tenancy. This will protect the responsible renters and keep San Jose safe.
3. Give renters 120 days after Termination of Tenancy and move out to file a claim against the Rental Owner.

Rationale

The 120 days will give Renters time after the hassle of moving to file against the bad landlord.

There are already laws and expensive fines in place to deal with retaliatory terminations or terminations to increase rents. Dangerous renters know how to game the system and are already using this law to increase their stay to the detriment of children's safety in affordable neighborhoods. Examples available upon request.

Any form of Cause ordinance invalidates the lease. Only 6 California Cities have a form of Cause. Eviction. They are among the most dangerous. The correlation is easy to make. If you can't evict a dangerous renter, the city gets more dangerous.

Housing Department's recommendation is a form of cause that protects the dangerous drug dealers. If they had listened to Stakeholders on the Advisory Council or had direct experience with this, like our owners have had, they wouldn't have included the Anti Retaliation Measure

1. We don't want vacancies. Having a vacancy is not getting the paycheck from your job. We take care of our good renters.
2. It's way too difficult and expensive to deal with problem renters through expected channels. Housing Commissioner Fitzgerald shared how one of his renters, a Police Woman, wouldn't call the police for the fear of retaliation from the scary drug dealer. Fitzgerald used a 90 no cause eviction.
3. Any kind of "cause ordinance" doesn't let owners protect the responsible renters from the scary drug dealers. They account for 90% of the violent crime, according to the California Attorney General.

Staffing & Funding

Recommendations & Suggested Improvements

1. Do not set-up a registry.
2. *Allocate 2 housing staff to manage these programs: One for education and one for enforcement.*
3. *Use City Fees already collected.*

Rationale

The City of San Jose already collects enough money from ARO providers. Approximately 16% of rents collected in smaller buildings go to city fees and property taxes

A recent city program already charges ARO Owners $5 million a year to increase code enforcement. Enough is enough.

Information Requested from Housing

Awaiting the Housing Department's response to the following questions before including them in my response:

1. What code violations are included in the Anti-retaliation proposal? For example, is garbage? What else?
2. What is included as a significant violation of the lease?
3. Jacky mentioned reviewing 1 small ARO building for CPI and found it didn't work only one of the five years. Did the financial data include debt service, vacancy rate, maintenance, or improvements?
4. Outcome of Rent control as compared with non-rent controlled cities.

Questions for Council to Consider

Before voting on this recommendation, I hope you will consider the following questions:

1. How are the low-income renters going to feel when the affordable housing supply shrinks and they have to move out of San Jose?
2. Where will the minorities, single moms, and low-income families move when this happens? Think Reserve Apartments on steroids.
3. How are renters going to feel when they get the bill for half of the $4.5 million and find out their name is in a city registry? Especially if they are an illegal immigrant or ex-felon?
4. What will the mom and pop owners (who are also mostly minorities working 2 jobs) or retirees (who have invested for years in their property) do for income?

Personal Comment

I own a 4-plex and rent to low income people. I worry about being forced to increase my rents more quickly than I want to if the recommendation is accepted because it is so restrictive. I know my renters will move faster than either of us wants. I will get to market rents faster, but that is not my objective.

I take pride in providing the best living situation possible to my renters. They are my clients and I treat them as such, with the utmost respect and care. A long-term happy renter is better than turn over.

This Housing Department's recommendation is not fair or beneficial to my renters or me.

Impact of Rent Control

Following is the data found after 2 hours of research:

City	Cause Ordinance	CPI	2015 Allowable % Increase	Crime Rank	Forbes Safe City Rating (2010)	% of Income Spent on Rent (2015)	Homeless (2015)	Homeless Rate	Average Cost Rent Controlled Units	Market Rent
Beverly Hills			10.0%	255						
San Jose			8.0%	246	2	41.50%	4063	Decreased 21% past 11 years.	1,388	$2,750
Los Gatos			5.0%	90						
Hayward	Yes		5.0%	381						
Los Angeles	Yes	Yes	3.0%	341	21	48.90%				
Oakland	Yes	Yes	2.8%	460						
East Palo Alto	Yes	Yes	2.2%	433						
Santa Monica		Yes	2.1%	344						
West Hollywood		Yes	2.1%	423						
Berkeley	Yes	Yes	1.8%	435						
San Francisco	Yes	Yes	1.7%	434	29	46.70%	7539	Increasing	$3,096	$5,000 plus
Source	Internet	ARO Study	ARO Study	USA.com	Forbes	CNN	City's Reports	City's Reports	ARO Study, Internet	City of San Jose, Internet
San Jose	No	No	8%/21%	2nd Best	Best on List	Best on List	Better than SF	Better than SF	Better than SF	Better than SF

From: Saraswathy Kanniappan [mailto[redacted]
Sent: Thursday, March 31, 2016 4:56 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Opposition on Changes to ARO

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Saraswathy

From: Mary Driedger [mailto[redacted]
Sent: Thursday, March 31, 2016 5:04 PM
To: Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; Kalra, Ash <ash.kalra@sanjoseca.gov>; Rocha, Donald <Donald.Rocha@sanjoseca.gov>; Khamis, Johnny <johnny.khamis@sanjoseca.gov>; Carrasco, Magdalena <Magdalena.Carrasco@sanjoseca.gov>; Nguyen, Manh <manh.nguyen@sanjoseca.gov>; Peralez, Raul <Raul.Peralez@sanjoseca.gov>; Nguyen, Tam <Tam.Nguyen@sanjoseca.gov>; Jones, Chappie <Chappie.Jones@sanjoseca.gov>; The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>
Subject: Please veto the proposed changes to the rent ordinance.

Dear Mayor Liccardo and Respectfully all Councilpersons and Staff assistants.

I attended the Neighborhood meeting last night , at the Vineland Library March 30, 2016 where Ms. Morales and her staff went over the proposed changes to the Rent Ordinance.

I am a rental property owner as well as a broker owner of a small company that has represented buyers of rental properties for many years.

I graduated from SJSU with a B.S degree with a concentration in Real Estate.
I became a Broker in 1976. My husband, Gary and I founded Associated Capital Consultants, Inc. in 1981.

My husband and I worked and raised three young children while completing my education and building our security.
I know the feeling of striving to succeed.
My husband and I purchased many small buildings and experienced negative cash flow during the difficult economic years.
We handled the management of many of our client's properties for many years.
We have been to eviction court, we have served three day notices for nonpayment of rent and other violations of the lease terms. We have met the police at various properties when disturbances have taken place.
We have cooperated with many past city programs to provide housing for the unfortunate.
The fact is, many of the people we tried to assist through previous subsidized housing programs could never reach an extended period of stability.
They could not learn and maintain urban living skills.

I have guided clients through many years of struggling with market fluctuations.
In challenging economic years, owners had to offer as much as a month of free rent or other rent concessions and severely drop rental rates to meet market conditions.
This is how the market should work. With no rent control, owners may not choose to raise the rent every consecutive year as they are free to raise rents in the future.

I was part of the listing and selling team that sold a 164 unit apartment complex in late 2014 on Loma Verde Drive in San Jose. I represented the buyers when they purchased this property approximately 11 years prior and I represented the sellers in the sale of this building with an associated agent.
This property was owned by "Mom and Pop" operators who struggled for over 20 years building security for their retirement while providing funds to finance their children's education. They were immigrants. They worked odd jobs to save enough money to buy their first fourplex.
They became citizens. They greatly contributed to society. This family bought and sold small buildings, over the years and eventually were able to acquire a property of this size.

They, like many rental property owners, tolerated over the years, continued retaliation from tenants who either did not pay rent, violated various covenants of their leases or who showed the visible signs of cooperating with drug dealers. They evicted those who did not pay rent or were suspected of gang and or drug dealing to protect their other residents.

I would imagine that some of those evicted would sit in the council chambers and attest to being "evicted with no cause."

I also recently represented the buyers of an ARO San Jose 75 unit property which closed escrow on 2-24-2016. The principals of the LLC also are originally from another country. They also became citizens and contribute to society. They are highly educated and work in the technology business.
Property owners like this are a great asset to our community. They are not large corporations but small families who through their own hard work and savings have been able to build security.

Real Estate has always been a way to pursue the American Dream.

In last night's meeting the question I raised was "What was the purpose of this proposed severe punitive legislature? To help the unfortunate?
The response from the Housing department was quite unclear.
Advocates for rent control have packed the council chambers and passionately stated they could not afford to live in San Jose.
Is this market which brings in millions of dollars of tax revenue being advised to lower the area standards because some individuals in Silicon Valley resent those who have been successful?

Claims of Unfair evictions are totally unsubstantiated.
I questioned Ms. Morales in one of the private meetings for which I was invited to attend, was there <u>any data</u> to substantiate even one such unfair eviction?
Was there <u>any data</u> to support the mysterious assumption that any "bad landlords, even exist?
The puzzle of the purpose of this massive effort to modify the rent ordinance is still not clear.
Ms. Morales failed to provide any such data referring to the favorite phrase: "Tenants fear landlord retaliation."

Certainly if the housing department was authorized to spend $185,000 to obtain a biased report to support their goal of creating a giant housing police force, she could have sent her staff to check on "alleged evictions" without cause.
Ms. Morales, has never been required to produce any "facts" for these allegations, any county records for evictions and did not answer those questions in either the private meeting or when I have brought up this question in public meetings.
Where and who are these "ghost" bad landlords?
Only vague stores are suggested.
I have personally sold more apartment buildings than any other Broker with whom you could consult.
The current city code punishes a landlord through code enforcement.
It is quite farfetched to suggest that landlords punish tenants and therefore ALL landlords need to be punished.

<u>Debt Service Pass through</u>
Small owners like many you have seen in the meetings, have mortgaged their homes in order to obtain the funds to buy their first fourplex.
The current rent ordinance was carefully designed to allow owners to pass on debt service with specific loan to value limitations.

What logic is now being applied to propose a severe change in the annual allowable rent increases, yet now no allowance for debt service or debt service pass through as part of the cost of operating an apartment complex?
It is extremely rare that any investor buys with all cash.
The controls for the debt service pass through process are already in the proposed ordinance.
Many times owners who have no debt on a property are those who have owned the property for a long period of time.
They tend not to give annual rent increases as their costs of operation are significantly lower.
However, when these owners sell, they want market value.
This causes the new owner to accept a value based upon market rents.
The tenants have enjoyed below market rents for in many cases an extended period of time.
It would be a better law to require annual rent increases so that the residents do not live in an unrealistic world.

Code enforcement fallacies

Responsible owners who care for their propertiesmust pay $100 for each new light or ceiling fan fixture in a tenant's unit.
None of these costs are considered in the illustrious fantasy net income report proposed by the Housing Department.
Why is this not considered and possibly waive forall permit fees and city license fees be frozen, if the proposal is to take away the right to use interest expense in calculating the return on an investment?

The most arrogant and objectionable aspect of the proposed housing changes is that no interest cost may be used in the calculation of their return on their investment.

A question was raised last night, "Do any of those who prepared these proposed changes actually own any rental property?"
Did any of them take risk, phone calls in the middle of the night or on weekends for emergencies of tenant complaints or fears?
That question was not answered. I believe it is because all of the Housing department's statements are based upon guesswork, not facts and certainly not from any educated experience.

One should not be allowed free range to hire an economist to create an extremely biased report promoting rent control and blatantly ignoring volumes of facts and data easily available to point out the proven very negative aspects of rent control.
(See the attached report outlining the very negative results of rent control)

I believe the Director of Housing earns well in excess of a substantial six figure income yet rents a home in San Jose.
The housing director's salary of $218,508 plus all associated benefits.($18,209 per month, per city of San Jose pay plan 3/27/16 states the Housing Director Code 3989).
She additionally can earn as much as $104 per hour which I assume is for overtime.
It is admirable that a woman has earned this high ranking position.
However as the comment arose last night, "does anyone who proposed these severe changes in the rent ordinance have any clear understanding own rental property or have specific hands on experience of operating and owning rental real estate?"
That question was avoided. I believe because the answer is No.

Ms. Morales could live in her own home or buy a duplex in downtown San Jose, and be able to deduct the interest on her taxes, but she would have to take on the risk of a market fluctuation.

However, I do not think she would want a proposal that would reduce the return on her vested pension funds. Certainly not 60% of CPI!

It is appalling how the Housing department has listened to some emotional and perhaps purportedly unfortunate stories of those who perhaps have not worked as hard, made poor personal choices, perhaps were born with some issues that were never overcome, and have written a extremely unnecessary and socialist proposal to punish the entire Real Estate community.
I hear strong resentment and envy in the voices of the tenant advocates. They each have a story but it is not one that resonates with what our country was founded upon and certainly not what Silicon Valley represents.
The landlords, many of whom have rarely never taken a weekend free from responsibility, or a vacation , in order to build their own security, counted upon the laws in place when they purchased or refinanced their properties.
It is very specific in the current rent ordinance what would be allowed in the way of a pass through of debt service.
To now create laws with such restrictive limits will decrease property values and lead to the deterioration of rental properties.

The downtown Los Angeles area, is filled now with many buildings where owners cannot afford to renovate and offer apartments to hardworking and deserving tenants.
The streets have tents and cardboard boxes where the unfortunate and many dangerous people stay.
St. James Park downtown is currently attracting such a collection of individuals.
The working professionals who purchased homes and condominiums and contribute to society can no longer take their children to the park without walking past people whose lives have been destroyed by substance abuse and or mental illness.

A more strict form of Rent control is not going to help any of these people. It will perhaps only fulfill the desire for revenge that I hear from the tenant advocates.

I have two relatives who when they retired, sold their homes and moved to a more affordable area of the country.
That is common sense.
We cannot and should not force the market to mirror the Los Angeles area, one location cited by the very opinioned economist.

The tragedy of the entire proposal by the Housing department, is that it will do absolutely nothing for the people who cried about their inability to rent a apartment in San Jose.
This proposal is a litany of literally socialist specific punishment for those who have worked hard to build security.
Most tenants find a roommate or roommates if they cannot afford an apartment in our area.
They live here because they have struggled to become educated, earn high salaries and wish to be part of our innovative Silicon Valley

In the comments during this and other meetings it is clearly heard," that housing is a right."
However one must earn the money to have housing.

I believe that Owning rental housing is a right.
The right to buy and use a mortgage to acquire a path to security is a right.

Please urge everyone to protect our rental property owners.
The proposed changes should be vetoed by the council and by the mayor.

Rental property owners should be highly respected not punished.
City officials should not guess at operational questions when they have no experience in that field.

I am attaching a proforma for an example of a four unit acquisition to demonstrate how difficult it is to attain positive cash flow.
Investors take risks on the future.

They certainly not be should not be punished for taking those risks.
Affordable housing should be your priority.

Very Truly Yours,

Mary Driedger, President
Associated Capital Consultants, Inc
[redacted]
Office: [redacted] Mobile: [redacted]
Fax: [redacted]
License#00527876
Email: [redacted]

4-plex SAN JOSE,CA
Financial Analysis

Property Details		
# of Units	4	
Price	**1,200,000**	
Price/Unit	$300,000	
Square Feet	3,000	
Price/SqFt	$400	
Lot Size	6,500	
Lot Size	6,500	
Down payment	$ 480,000	0.40
Current GRM	16.49	
Projected GRM	**13.08**	
Current Cap Rate	2.50	
Projected Cap R	**3.82**	

Rent Roll		
#	Type	Rent
1	1br	1300
2	2br	1550
3	2br	1750
4	1br	1400
Rental Income		6000
Laundry Income		65
Monthly Income		6065
Annual Income		72780

Gross Income	# of Units	Est. SF	Present Monthly	Projected Monthly
2br - 1ba	2	800	1550-1750	1995
1br - 1ba	2	700	1300-1400	1795
Laundry Income			65	65
Gross Annual Income			**$ 72,780**	**$ 91,740**

Expenses	Present Ann.	Proj Ann.
Professional Management 10%	7278	9174
Taxes/Licenses	17678	17678
Insurance	2500	2500
Vacancy 5%	3639	4587
Maintenance 5%	3639	3639
TRASH	2500	2500
WATER	2500	2500
PG&E	1200	1200
LANDSCAPE	600	900
PEST CONTROL	1200	1200
Gross Expenses	**42734**	**45878**
% of EGI	0.59	0.50
Expenses per SF	14.24	15.29
Net Income	**30,046**	**45,862**

Proposed Financing					
Loan Amount	**Payment**	**Rate**	**Term**		
720,000	3,355	0.038	30		
Total	3,355				
		Annual Loan Payments		40,259	40,259
		Estimated Cash Flow		**-10,213**	**5,603**

Long Term Analysis	COE	+12mo	+24mo	+36mo
Gross Annual Income	72,780	91,740	93,575	95,446
Gross Annual Expenses	42,734	45,878	46,337	46,800
Net Income	30,046	45,862	47,238	48,646
Loan 1	40,259	40,259	40,259	40,259
Total Loans	40,259	40,259	40,259	40,259
Cash Flow	-10,213	5,603	6,979	8,387
ROI	-0.02	0.01	0.01	0.02
Based on 0.04 increase in income per year				

**THE AMOUNTS AND PERCENTAGES ARE ESTIMATES. THIS INFORMATION IS DEEMED ACCURATE BUT NOT GUARANTEED* CORRECT

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Policy Analysis

How Rent Control Drives Out Affordable Housing

by William Tucker

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Executive Summary

Rent control has been in force in a number of major American cities for many decades. The best-known example is New York, which still retains rent controls from the temporary price controls imposed during World War II. But this policy, meant to assist poorer residents, harms far more citizens than it helps, benefits the better-off, and limits the freedom of all citizens.

A look at the classified ads in rent-controlled cities reveals that very few moderately priced rental units are actually available. Most advertised units are priced well above the actual median rent. Yet in cities without controls, moderately priced units are universally available.

In many cities, policymakers understand that controls drive out residents and businesses. Thus many exempt significant portions of housing from controls, creating shadow markets. Yet as controls hold down rents for some units, costs for all other rental housing skyrockets. And tenants in rent-controlled units fear moving to more desirable neighborhoods since the only units available for rent are very high-priced.

But the trend in recent years has been toward removal of rent control. The repeal of controls in Massachusetts, for example, did not lead to the widespread evictions and hardships that some predicted. The lesson for the rest of the

country is that rent control is policy that never was justified and certainly should be scrapped.

The Rush to Rent Control

Rent control has been in force in a number of major American cities for many decades. The best known example is New York, which still retains rent controls from the temporary wartime price controls imposed during World War II.

During the 1970s it appeared that rent control might be the wave of the future. Boston and several of its surrounding suburbs imposed rent control during the inflationary years of 1969 to 1971. President Richard Nixon imposed wage and price controls in 1971 on the entire country, freezing all rents in the process. Many cities retained rent controls, eventually making them permanent, after wage and price controls expired. Washington, D.C., still retains regulations from this period, as do about 125 municipalities in New Jersey, including Newark, Jersey City, and Elizabeth.

During the Proposition 13 anti-tax campaign in 1978, activist Howard Jarvis promised California tenants that their rents would be reduced if the proposed state constitutional amendment lowered property taxes. Yet in the midst of an inflationary period, this reduction failed to materialize, frustrating many tenants. Berkeley and Santa Monica, two smaller cities with radical political cultures, led California in imposing very strict rent control ordinances. Political activists Tom Hayden and Jane Fonda, who lived in Santa Monica, then toured the state urging other cities to follow suit. Ten cities--including San Francisco, Los Angeles, San Jose, West Hollywood, and East Palo Alto--eventually adopted rent regulation, putting more than half the state's tenant population under rent control ordinances. One major California city, San Diego, bucked the trend, rejecting rent control by a 2-to-1 vote in a 1985 referendum.

By the mid-1980s, more than 200 separate municipalities nationwide, encompassing about 20 percent of the nation's population, were living under rent control. However, this proved to be the high tide of the movement. As inflationary pressures eased, the agitation for rent control subsided.

Some cities have remained strangely immune from the rent control temptation. Chicago, with one of the largest proportions of renters of any American city, has never seriously entertained proposals for rent control. Philadelphia, Baltimore, Cleveland, and other eastern cities outside the Boston-New York-

Washington axis have never experimented with this policy. In the major cities of the South and Southwest--Atlanta, New Orleans, Dallas, Houston, Phoenix--rent control is simply not an issue. During the 1980s, a reaction set in among southern, western, and rural states. Some 31 states as diverse as Idaho, Florida, Texas, and Vermont adopted laws and constitutional amendments forbidding rent control.

Once in place, however, rent control usually proves extremely difficult to undo. London and Paris still have rent controls that started as temporary measures during World War I. "Nelson's Third Law," the contention by the late economist Arthur Nelson that the worse a government regulation is, the harder it is to get rid of it, seems to apply here. Whatever distortions a regulation creates, some people will adjust to it and actually profit. These people then become a tightly focused interest group that fights tenaciously to retain the regulation. When this interest group is a tenant population that forms a near-majority of a municipality, the chances that rent control can be abolished through local political efforts are extremely small.

Recent Rollbacks

Nevertheless, rent control is proving vulnerable. On January 1, 1997, Boston, Cambridge, and Brookline became the first major American cities to abandon rent controls since 1950. The process was not altogether voluntary. The initiative came from a statewide campaign organized by Boston and Cambridge property owners, who put up a state ballot initiative banning rent control. The initiative that passed in 1994 required immediate removal of rent controls. Landlords, however, soon agreed to a two-year extension of controls for hardship cases.

The property owners during the referendum argued that the costs of rent control were being borne by other taxpayers. When landlords start losing money because of low rents, they are usually able to get their property assessments lowered. This leads to a general decline in property values in a rent-controlled city and thus less revenue going to governments. In Massachusetts, property tax receipts are shared at the state level through a complicated formula that takes money from cities with high property tax bases and gives money to cities with low bases. The owners of rental units argued that lower rents in Boston, Cambridge, and Brookline were being subsidized by higher property taxes elsewhere. Massachusetts voters found this argument persuasive and passed an initiative phasing out rent control by a 51-49 margin--even though it lost 2-to-1 in the state's three rent-controlled cities.

The aftermath has been encouraging to those who believe that rent control can be abolished without widespread disruption. Tenant activists had predicted huge rent increases, mass evictions, and a surge in the homeless population if the regulations were abandoned. None of this has occurred. Formerly regulated rents have risen, but construction of new apartments has also begun for the first time in 25 years. Since the overwhelming majority of rental units were deregulated by 1995, and the rest by January 1, 1997, the worst is probably over.

To be sure, there have been individual cases of hardship that tend to attract a great deal of media attention. Almost without exception, these incidents involve tenants who have suffered a loss of income but still have been able to afford their apartments because of rent control. In one case, featured prominently in many newspapers, an elderly diabetic who had been unable to work for 10 years was losing his apartment in the Fenway district of Boston because the landlord was tripling the rent. [1] But tenants frequently are forced to move when they suffer loss of income. Rent control only delays the process and its abolition cannot be held responsible for every instance of tenant displacement. Boston property owners have alleviated the situation considerably by setting up a bank of 200 apartments around the city that are immediately available for such emergencies.

Rent control is now under attack in New York as well. In December 1996, State Senate Republican majority leader Joseph Bruno announced that he intended to end "rent control as we know it" in New York City within the next few years. Bruno, a successful Rensselaer County businessman and free market advocate, says he is philosophically opposed to rent control and believes it is doing enormous harm to New York City.

His vow to overturn the system is no idle boast. Under New York State's arcane legislative proceedings, the majority leader wields enormous power, virtually controlling the entire legislative agenda. Because New York's rent control ordinance is still only "temporary," it must be renewed every two years. Bruno has said that if the Democratic Assembly does not agree to a two-to-four-year phase-out, the Senate will simply fail to renew the statute and rent regulations will expire on June 15. Bruno's effort has set off a firestorm among New York City's regulated tenant population.

Shadow Markets

Although the battle over rent control is routinely portrayed as a contest of "tenants-versus-landlords," in fact the situation is far more complex. Even in

New York, which has some of the strictest rent control in the country, only 1.1 million of the city's 1.7 million apartments--about 63 percent--are regulated. This produces a tenant population of about two million individuals, one of the most formidable political constituencies in the city, with a direct interest in retaining rent control. But since New York City has seven million inhabitants, what are the interests of the other five million? And what are the effects of rent control on those among New York State's eighteen million inhabitants who do not live under rent control, or on individuals in other parts of the country who want to move to New York?

It is useful to analyze this issue in terms of the concept of "shadow markets." This concept was developed by Denton Marks in a paper in the *Journal of Urban Economics* in 1984, [2] and also suggested by George Horwich and David Leo Weimer that same year in the context of oil price controls. [3] Standard supply-and-demand theory predicts that any price controls, including rent controls, will produce an excess of demand over supply--an economic "shortage." There is virtually no disagreement on this premise. In a survey of 75 of the world's outstanding economists, J. R. Kearl and his colleagues found nearly unanimous agreement on the proposition: "A ceiling on rents will reduce the quality and quantity of housing." [4] Of 30 propositions presented for review, only one other received the same level of support. Further, a poll by the American Economic Association of its members in 1992 produced a similar result. [5]

Yet as Marks pointed out in his 1984 paper, rent control, or any other price control, rarely works in a straightforward fashion. It is virtually impossible for a government to control and regulate the entire supply of a commodity. Once a shortage appears, alternative markets and black markets will arise. The government can react in a variety of ways. Often, it will criminalize these markets and prosecute suppliers in draconian fashion. In Iran, merchants who sell above the government prices have their feet burned with hot irons in the public marketplace.

More often than not, however, governments may tolerate these markets as a way of relieving shortages. In many instances, governments will deliberately leave a portion of the market untouched by regulation in order to serve as a safety valve for excess demand. This unregulated portion of a regulated market becomes the "shadow market."

The question posed by Marks and by Horwich and Weimer is "What happens to prices in this shadow market?" Using standard supply-and-demand theory, they predicted that prices in the unregulated portion of the market will be forced

higher than their normal market value. This is because the limited supply in the shadow market must absorb the shortage, the excess of demand over supply, in the regulated part of the market. Because prices are pushed too low in the regulated sector, they are forced above what would otherwise be the market price in the unregulated sector. The result is that average prices in both sectors are likely to end up about as high as their free-market level. They could end up higher because of maldistributions and diseconomies in the regulated sector of the market.

Few Low-Rent Units with Rent Control

The concept of shadow markets offers a reasonable explanation of why the results of rent controls are so perverse and why they lead to a sense of helplessness and panic in a rent-controlled population. Although rent controls are widely believed to lower rents, data I have collected from eighteen North American cities show that the advertised rents of available apartments in rent-regulated cities are dramatically higher than they are in cities without rent control. In cities without rent control, the available units are almost evenly distributed above and below the census median. In rent-controlled cities most available units are priced well above the median. In other words, inhabitants in cities without rent control have a far easier time finding moderately priced rental units than do inhabitants in rent-controlled cities.

This is because tenants in the regulated sector tend to hoard their apartments, forcing everyone else to shop only in the shadow market. Thus, rent control is the cause of the widely perceived "housing crisis" in rent-controlled cities.

Price Controls and Commodity Shortages

Standard supply-and-demand theory shows that when the government fixes prices, a gap opens up between supply and demand. This is usually illustrated by two opposing curves, representing the "marginal propensity to sell" (supply) and the "marginal propensity to buy" (demand). Consumers, of course, are inclined to buy more as prices fall and less as prices rise. Sellers act in an opposite manner, offering more as prices rise and less as prices fall. At one point--and one point only--the interests of buyers and sellers will intersect. This is the "market-clearing price," the point at which, given current economic circumstances, the desires of both groups are optimized. Prices, of course, do not automatically come to rest at some market-clearing level. A continuing discovery process occurs. Either buyers or sellers may achieve a temporary monopoly due to geography or other circumstances. Lack of information may cause either buyers or sellers to accept a price that is unfavorable to them. But,

lacking government interference, the actions of buyers and sellers always push prices toward a market-clearing level.

The effect of price regulation is to keep supply and demand permanently separated. If the government holds prices above market value, usually in an attempt to appease suppliers, the result is an economic surplus. For instance, since the 1920s the federal government has maintained price supports for many agricultural commodities. The result has been chronic farm surpluses. Price controls, designed to benefit consumers, are much more common. The oil price controls from 1971 to 1981 that resulted in a decade-long "energy crisis" provide insights into the rent control issue.

Oil price controls had led to gas lines and rationing at the pump during two brief episodes in 1973 and 1979. But for the most part, there was no visible shortage and supplies continued uninterrupted for most of the decade. What happened to the shortages that should have been produced by price controls? In retrospect, the answer was simple. As Horwich and Weimer noted, the federal government was able to impose price controls only on domestic sources of supply. This created a shortage of domestic oil. But the country continually filled this gap by importing more oil. Imports constituted only 25 percent of the nation's supply when Nixon imposed price controls in 1971. In two short years, this portion climbed to nearly 33 percent. OPEC countries were emboldened to interrupt supplies briefly in 1973 and then quadruple the price.

Unfortunately, Congress responded in 1976 by "punishing" the oil companies, dramatically reducing the price and extending price controls indefinitely. As a result, imports rose to more than 50 percent by 1979, despite an extensive government publicity campaign against purchasing importing oil. Congress even abetted the process surreptitiously by expanding "oil entitlements," a program that supplied small refineries with subsidized imported crude oil, supposedly to help them compete against the major oil refiners.

By 1979, America's excess demand had stretched world supplies so tight that a small interruption of supplies, caused by the outbreak of the Iran-Iraq War, was enough to set off another "gas shortage." When President Ronald Reagan removed domestic price controls in 1981, the resulting surge of supply was enough to send world oil prices into a free fall. The "energy crisis" vanished almost overnight.

Horwich and Weimer show that the shadow market concept explains these events. Prices of only part of the oil supply, that produced domestically, were controlled. To make up for the resulting shortages, consumers had to turn to

foreign-produced oil. Because of the excess demand, world oil prices rose rapidly. Only when domestic supplies were restored did world oil prices tumble. Over a decade, oil price controls accomplished almost nothing in lowering prices to consumers, but they did cause havoc by creating rapid shifts in the world market.

Shortages and Hoarding

One reason the disadvantages of oil price controls soon became apparent was that the hoarding of this commodity was only partially feasible. Hoarding occurs when consumers buy supplies for future use as well as present consumption. When uncertainty about future supplies becomes general, consumers will begin to stockpile. During the 1979 "gas shortage," for example, entertainer John Denver was reported to be building two 100-gallon gas tanks on his Colorado estate. Ordinary motorists reacted the same way by "topping off" their tanks at gas stations. The U.S. government hoarded oil with the Strategic Petroleum Reserve. Although hoarding may benefit individuals or countries, it also puts upward pressure on prices. When people buy for future use as well as present consumption, supplies will be tighter and prices on the shadow market will be driven even higher. Or, in the case of oil, if rationing-by-waiting is already in effect, gas lines will stretch even longer.

But the ability to hoard depends on the logistics and durability of a product. Oil is consumed only once and must be stored in facilities that are not easily or inexpensively obtainable. During a famine, food can be hoarded, but it must be stored under special conditions to avoid spoilage.

Housing is one of the most durable commodities. A well-constructed building can last more than 100 years; many buildings in Europe are centuries old. Housing can be consumed today and still be consumed 10 or 20 years later. And with government holding prices low through rent control, a tenant who holds a rent-controlled apartment has a strong incentive to stay in it his or her entire life, even passing it on to descendants. Hoarding of housing is not only possible, it can become the natural order of things.

Of course if the laws allow a landlord to charge a higher rent to a new tenant, the landlord may want to evict a low-paying tenant. But this only leads to strong antieviction laws, a staple in all rent-controlled communities that soon makes it difficult or impossible to get rid of even the most destructive or delinquent tenants.

As a commodity, then, rental housing makes an ideal target for conveying certain benefits to a portion of the population. Because of durability of housing, rent control can go on bestowing benefits to the same minority--or even a majority of a municipality--for a very long period of time. It is the individuals who are forced into the shadow market--usually newcomers or people who want to change apartments--who suffer the consequences.

Rent Control and Vacancy Rates

There can be no doubt that rent control creates housing shortages. For almost 20 years, national vacancy rates have been at or above 7 percent--a figure generally considered normal. Cities such as Dallas, Houston, and Phoenix, where development is welcomed, have often had vacancy rates above 15 percent. In these areas of the country, there usually is a surplus of housing rather than a shortage. Landlords commonly advertise "move-in specials," where rent is reduced for the first month or even where they pay moving expenses.

In rent-controlled cities, on the other hand, vacancy rates have been uniformly below normal. New York City has not had a vacancy rate above 5 percent since World War II. (The state's rent control law, supposedly temporary, would automatically expire if it did.) Before giving up rent control, Boston's vacancy rate was below 4 percent. (There are no figures as of yet on the rate since rent control ended.) In rent-controlled San Francisco, the vacancy rate is generally around 2 percent, and in San Jose the rate is 1 percent, the nation's lowest. Meanwhile, comparable nonrent-controlled cities, such as Chicago, Philadelphia, San Diego, and Seattle have normal vacancy rates at or above 7 percent.

Rent-controlled cities absorb these shortages in a variety of ways. Higher rates of homelessness are a manifestation of rent control. [6] Another is the traditional difficulty individuals have in finding a new apartment in these cities. An article in *New York* magazine entitled, "Finding an Apartment (Seriously)," recommended such techniques as "joining a church or synagogue" as a useful technique in meeting people who might provide good leads on an apartment. [7] Young people who migrate to New York or San Francisco usually must settle for paying $600 a month to share a two-bedroom apartment with several other people or commuting from a nearby city. Crowding is a manifestation of rent control.

Excluding Outsiders

The exclusion of newcomers may even emerge as the main purpose of rent control, particularly in small, selfidentified cities. Many of the small New Jersey municipalities with rent control are close-knit ethnic communities that do not particularly welcome newcomers. One of their major fears is apartment complexes that will bring in large numbers of outsiders and "change the character of the community." Rent control has proved an effective tool for making sure that small, exclusionary-minded communities do not have to undergo change.

Santa Monica is a beach community near Los Angeles that was discovered by urban professionals after the construction of the Santa Monica Freeway in 1972. These newcomers, many originally from New York, immediately set about trying to limit new construction, pulling up the ladder to keep out those that would follow them. In particular, they opposed a series of high-rise apartments proposed for the beachfront. The newcomers soon discovered that imposing rent control not only guaranteed themselves cheap apartments but hampered further development as well.

The result has been a virtually closed community. It is almost impossible for newcomers to find apartments in Santa Monica. As Mark Kann, a Los Angeles newspaper columnist, reported in *Middle Class Radicalism in Santa Monica*, a book that celebrated rent control, "I knew one professional woman who tried to get a Santa Monica apartment for more than a year without success, but she broke into the city, finally, by marrying someone who already had an apartment there." [8] The city is also famous for its homeless population and is often called "The Homeless Capital of the West."

Generational Subsidies

Berkeley, California, and Cambridge, Massachusetts, have similar housing markets. Small college communities, they originally adopted rent control with the help of large student-voter populations that felt a town-gown rivalry with their landlords. But like many socialist programs, rent control turned out to be a one-generation wonder. Students who were in place when rent control was adopted often remained in their apartments all through their professional lives. Ken Reeves, the mayor of Cambridge until 1994, who used to advertise his rent-controlled status on his campaign literature, was still living in the apartment he rented as a Harvard law student in 1973. He finally bought a home when rent control was abolished.

In Berkeley, Floyd and Eva Floystrup are a carpenter and his wife, and also landlords, who were once forced to pay $70,000 to their tenants in "back rent"

because they had refused to register with the rent control board. "We believe in free enterprise," they explained. They noted that their low-paying tenants are all high-salaried professionals who arrived as students in the 1970s. "I always have Berkeley students come up to me on the street and say, `How come I can't find a place to live in this city?'" said Eva Floystrup. "I tell them, `Look, we're still taking care of the Class of 1979. As soon as they leave, we'll have room for you.'" [9]

Studies in both cities showed that rent-controlled apartments have tended to fall into the hands of middle class professionals. A 1994 study of Cambridge by housing consultant Rolfe Goetze showed that rent-controlled apartments were concentrated among highly educated professionals, while the poor, the elderly, and students were generally excluded. [10] Michael St. John, a Berkeley sociologist, found similar results in California. "Rent control has actually accelerated gentrification in Berkeley and Santa Monica," said St. John. "Poor and working class people have been forced out of those communities faster than in surrounding municipalities." [11]

In small cities such as Cambridge, Berkeley, and Santa Monica, the housing shortages created by rent control can be pushed onto neighboring communities. Most Berkeley students now search for housing in Oakland and Richmond, significantly increasing their commuting time.

Shadow-Market Housing

In large metropolises a housing shortage can severely damage the city's economy. Experience shows that when such cities adopt rent control, they usually try to avoid outright housing shortages by leaving segments of the market unregulated. Unsatisfied demand is diverted into this unregulated sector. Because of the shadow-market effect, people in this sector pay higher-than-market prices. Still, they are rarely conscious of the causation. Instead, they simply regard the city as "an expensive place to live" and often become a constituency for extending rent control to their own apartments.

It should be recognized that not all cities enforce rent control with the same enthusiasm. Both the city and county of Los Angeles adopted rent control in 1979, but the county dropped it shortly thereafter. The city government exempted new construction and allowed sizable rent increases. It also adopted a form of vacancy decontrol that allows rents to rise to market value each time a new tenant moves in. A 1990 study by the Rand Corporation found rent control saving tenants only $8 a month. Since then the city has depopulated and vacancies rose close to 10 percent. "We can't even get the rent the rent board

allows us," said Dan Fellar, director of the Apartment Owners Association of Southern California. As a result, there is little shadow-market effect. Washington, D.C., is also depopulating and its rent control ordinance has little impact. Toronto has regulated all rental housing down to single-family homes since 1979, but allows generous 8 percent annual rent increases. The regulation seems to have only small impact.

New York and San Francisco, on the other hand, enforce two of the strictest sets of rent control ordinances in North America. (In many European countries, regulation has destroyed private rentals to the point that there is little left but public housing.) Both cities allow only small rent increases and neither has vacancy decontrol, although San Francisco will soon be adopting it according to a state law. Neither city is depopulating and both experience a high demand for housing. As a result, both have developed strong shadow markets.

New York City split its housing market at the outset in 1947 by exempting all future construction. Toronto exempted all new construction when controls were adopted in 1979. San Francisco did the same. Thus, while Santa Monica and New Jersey communities used rent control intentionally to prevent new housing construction, these other cities worried that no new housing would ever be built.

Unfortunately, the strategy of exempting new units often backfires. Sooner or later, tenants in the new buildings will realize their position relative to rent-controlled neighbors and seek controls on the rents of their own dwellings. This happened in New York in 1969, when Mayor John Lindsay was forced to adopt "rent stabilization" to cope with the excessive rent in "post-war" housing, that is, housing built after 1947 that was originally exempt from regulation. Lindsay promised that all post-1969 housing would remain outside rent stabilization. But inflationary pressures forced the New York State Legislature to break this pledge within five years with the Emergency Tenant Protection Act of 1974. Since then, builders have learned that, sooner or later, any new housing in New York risks being "recaptured," the term used by city officials, that is, brought under regulations. Consequently, little new rental housing is ever built.

Toronto also repealed a new-construction exemption in 1989 and now "recaptures" all new housing after five years. Thus little is built. And San Francisco continues to exempt new housing, but does so much to discourage construction through zoning and no-growth ordinances that, with a 1 percent vacancy rate, the city still adds only 500 residential units a year.

New housing thus makes up a stable--if somewhat uncertain--segment of the shadow market. Another common sector is smaller buildings, particularly those that are owner-occupied. Cambridge exempted two- and three-unit owner-occupied buildings. San Jose exempts duplexes and single-family homes, but regulates the 10,000 mobile homes in its jurisdiction. Berkeley does not regulate duplex apartments when the owner occupies one unit. San Francisco originally exempted buildings with four units or fewer, but this was overturned in a popular referendum in 1994. Now the city even regulates rented single-family homes. New York's rent stabilization does not apply to buildings with fewer than six units, although the old rent control regulations from 1947 can still govern smaller units.

Finally, rented condominiums and cooperative apartments are commonly exempted--although this is an extremely controversial policy in most rent-controlled cities. The problem is that once apartment houses fall under rent control, many owners will attempt to escape the regulation by selling off the apartments to individual owners. This frustrates rent control officials because it diminishes the supply of rental housing. In New York, condominiums and cooperatives are treated as single units and thus exempted under the smallowner rule. In Washington, however, an apartment building under cooperative or condominium ownership is regulated as multi-family housing, even though it has multiple owners.

Most cities with rent control usually end up adopting strong laws to discourage conversion to condominium and cooperative ownership, in order to close an escape hatch from the regulated market. In 1989, Cambridge adopted a law actually making it illegal for owners of converted condominiums to live in their own apartments. Instead, owners were to be forced to rent out their apartments as rent-controlled units, in order not to "diminish the supply of rental housing." Active enforcement of this law that would evict individuals from their own property was begun in earnest in 1992. The prosecution of these "condo criminals" swelled the ranks of rent-control opponents and played a large role in passage of the statewide referendum that in 1994 ended this regulation.

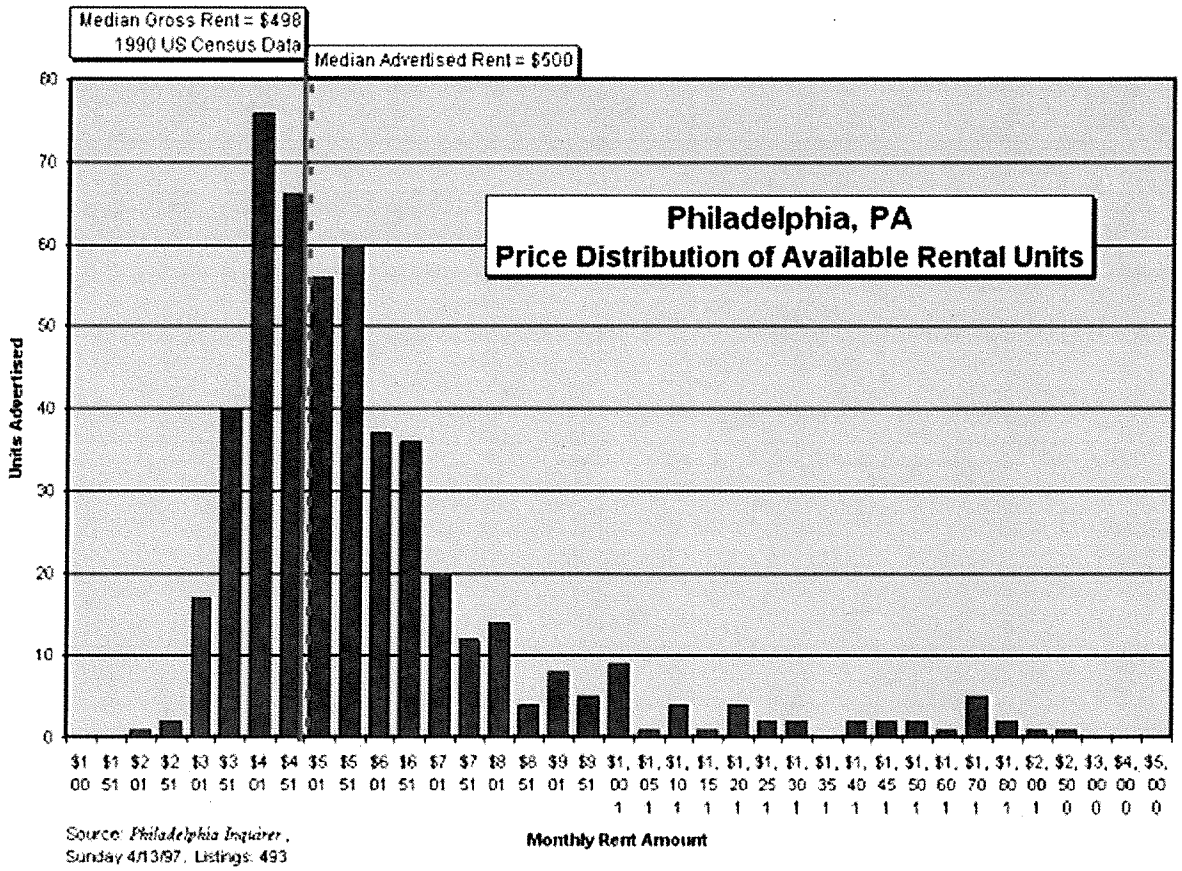
In major cities, then, these three exempted sectors-- new construction, smaller buildings, rented condominiums-- generally form the shadow market. Even in the strictest rent controlled environment, this shadow market may grow to considerable size. In New York, the unregulated sector now makes up 36 percent of the 1.7-million-unit rental market. In San Francisco and San Jose it makes up about half. Only in Berkeley and Santa Monica does the shadow market make up less than 20 percent of all rental housing.

Shortages under Rent Control: The New Evidence

What happens to price and availability of unregulated housing in a rent-controlled market? To determine this, this author collected data on all the available apartments advertised in eighteen major cities around North America. The advertised prices were taken from a single Sunday edition of the largest paper in each city during the month of April 1997. The advertised price of every listed apartment was recorded. (Three newspapers were used for New York.) Rented houses were also included. Some older urban areas--Chicago, Cleveland, New York, Philadelphia--have very few rental houses, while in Sunbelt cities such as Dallas, Houston, Phoenix, and San Diego, they make up a large portion of the rental market. To make sure this regional phenomenon was not distorting the figures, rental houses were omitted in two cities, Atlanta and Phoenix. Six of the surveyed cities have rent control--Los Angeles, New York, San Francisco, San Jose, Toronto, and Washington. In addition, Boston ended rent control in January 1997. The median rent shown on each graph is based on the 1990 U.S. Census. [12] (See Appendix for all graphs.)

The most striking observation is that the graphs of rents in free-market cities follow a standard bell curve. The vast majority of advertised rents cluster around the median, with between 33 percent and 40 percent below the census median. The median advertised rent is rarely more than $50 above the census median. This may be because the very cheapest apartments are not likely to be advertised in the newspaper and because landlords often raise rents when apartments become vacant. The mode - the number where the graph peaks - usually occurs below both medians. Characteristically, there is a steep climb on the low-rent side of the curve, followed by a long tail toward the "luxury" end of the market.

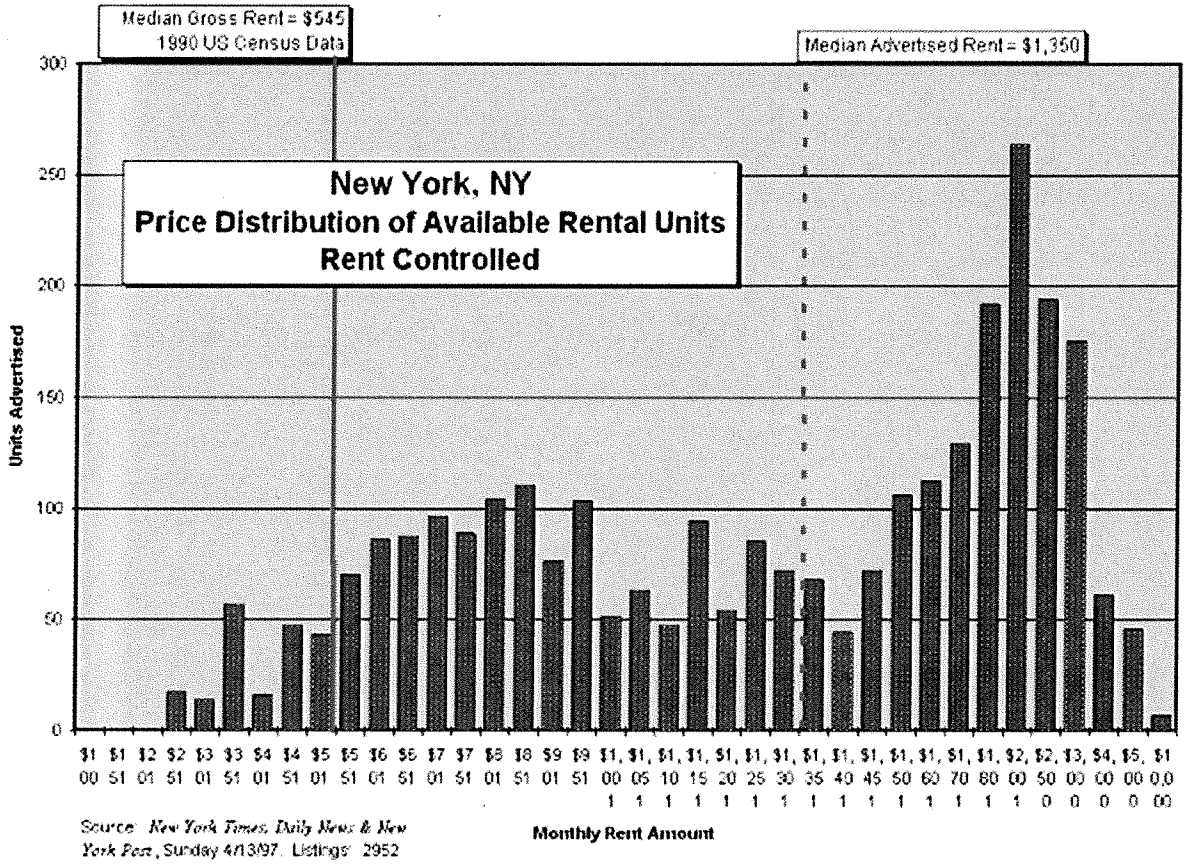
Figure 1



It is also striking how affordable housing is in most free-market cities. In Philadelphia, the nation's fifth largest city, the most common advertised rent, the mode, is between $450 and $500--below both the advertised and census medians. (See Figure 1.) In Chicago, the mode was $500 to $550, also below both medians. Unregulated cities such as Philadelphia, Chicago, San Diego, Phoenix, and Seattle seem to have almost perfectly competitive housing markets, with housing available at every price level but clustered at the low end.

The two cities with strict rent control are glaring exceptions to this pattern. In both New York (see Figure 2.) and San Francisco, advertised rents peaked at $2,000--more than triple the U.S. Census median rent for each city. The median advertised rent in New York was $1,350, in San Francisco, $1,400--both more than double the census median. More important, there were almost no rental units available at the low end of the market. In both San Francisco and New York, less than 10 percent of advertised rents were below the census median. (The New York figures also included listings from the *Daily News* and the *New York Post*, which are slanted toward the lower end of the market.) Rent control in both these cities appears to make housing spectacularly unaffordable.

Figure 2



San Jose and Boston both show strong symptoms of the rent control disease. San Jose rents peak at $1,500, with rents pushed more toward the expensive end. Boston shows the usual "median hump," but displays overtones of the rent-control effect at the upper end. Los Angeles, Washington, and Toronto--all of which practice milder forms of rent control than New York and San Francisco--show little or no signs of the rent control effect.

What is going on in these markets? The explanation seems fairly straightforward. Rent control splits the housing market into two sectors, the regulated segment and the shadow market. As prices in the regulated sector are forced lower, prices in the shadow market go higher. At a certain point, the differential between the two markets becomes so stark that tenants in the regulated sector begin hoarding their apartments. They hardly ever move. In New York, 88 percent of tenants living in pre-war, rent-controlled apartments have not moved in more than 25 years.

If they do abandon their apartments, regulated tenants pass them on to friends or relatives, or sell them to strangers through "key money" that reflects their true market value. As a consequence, regulated apartments are essentially withdrawn from the market. In New York, where regulated apartments make up 63 percent of the market, only 85 or 3 percent of the 2,800 listings in the *New York Times*, *Daily News*, and *New York Post*, were identified or identifiable as rent regulated. [13]

With the regulated portion market locked away, all new demand is funneled into the unregulated sector--the shadow market. Eventually the competition for these limited number of apartments creates highly inflated prices. It is like squeezing a balloon at one end--the pressure will simply create a bulge at the other end.

Burdens on Newcomers

One thing that makes rent control more palatable to the majority is that the brunt of these excessive costs is usually borne by newcomers. People moving to New York or San Francisco assume that housing is very expensive. They may get discouraged and leave. New York has lost 200 of its 250 national corporate headquarters over the last 25 years, in part because these companies found housing almost unattainable for transferring employees. If these individuals do stay, it may be several more years before they realize that others living in almost identical apartments are paying only a fraction of their rent. In 1985, for example, a woman wrote this letter to the New York *Daily News*:

I recently moved to New York and I pay almost $1,200 a month for a nice little apartment on the lower East Side. The landlords have been reasonable and the building is clean. Still, when I found out at a tenants' meeting that 30 of the building's 34 apartments rent for below $300 and that most of the tenants in those cheap apartments make more money that I do, I was a bit outraged. I understand protecting the old people, but protecting fellow yuppies with bargains?

In Texas, $400 will rent a two-bedroom apartment with air conditioning, washer/dryer, swimming pool, fireplace, and garage. The vacancy rate is over 10 percent. There are no rent controls and the tenants hold all the cards. And landlords are not a hated breed. [14]

Such voices are usually drowned out in the rent control debate. But they are beginning to be heard. As the current debate heads for its June 15 deadline, the following letter appeared in the *New York Times*:

Where are the voices of all those who do not share the benefits of rent control but who actually suffer from it? For the past seven years my husband and I have been killing ourselves to pay our exorbitant market rent for a small one-bedroom apartment in order to stay in this city. I know too many people who live in rent-controlled apartments who also own country homes. One person (whose apartment we tried to rent at the legal rate) moved to Florida and now rents out his apartment, illegally, at the market price, subsidizing his new life style. If rent decontrol would mean a fairer, less insane market, then it is a just cause. If the housing situation does not improve, it will be the new generation of middle-class New Yorkers who will be forced to leave the city we love. [15]

Can Rent Control Be Abolished?

Rent control makes housing less affordable to anyone seeking housing in a rent-controlled market. Even people who already have a "great deal" under rent control become prisoners of their own apartment. They can never move because it means being thrown into the shadow market, where prices may be three or four times as high for an almost identical apartment. In Europe, where rent control governs even larger sectors of the market, the result has been the continent's famed "labor immobility," where moving a factory across town may mean losing half the work force. This huge differential between the regulated market and the shadow market strikes terror into the hearts of a rent-controlled population and fuels the fires against deregulation. But this fear is based on the illusion that shadow-market prices are actual market prices. Even landlords make the same mistake. They often assume that an end to regulation will enable them to double and triple rents, whereas the overall effect would be far more modest.

The goal in getting rid of rent control should be to allow the curve of housing prices to return to the elegant symmetry of the free market. It is important to deregulate as much of the market as possible at once. That will move the entire curve toward the lower end of the market. If deregulation occurs in small increments, on the other hand, each individual tenant will be forced to make the jump from the low end to the high end, until their accumulated weight moves the curve back. It would be like moving a mountain one grain of sand at a time.

One poor way to deregulate is "vacancy decontrol." This solution, now in effect in California and being proposed as a compromise in New York, simply extends the adjustment period while delaying the benefits of deregulation. Under vacancy decontrol, apartments are deregulated only when the current tenant leaves or dies. But of course tenants in regulated apartments never move,

since leaving an apartment means being thrown into the shadow market. It may take 20 to 50 years before the market resumes its normal shape.

Worse yet, under vacancy decontrol individual landlords have every incentive to evict their regulated tenants since vacancy means deregulation of the apartment. The result will be a daily series of horror stories, with landlords doing everything from hiring thugs to setting fire to their buildings to get rid of low-rent tenants. Meanwhile, because of general uncertainty, builders and renovators will not invest much in new housing. As a result, there is always pressure to repeal vacancy decontrol. New York tried such decontrol in 1972 but repealed it after only two years.

Instead, rent control is best abolished quickly and cleanly, with ample effort to protect the most vulnerable tenants. Massachusetts did it about right. After winning the 1994 referendum, property owners were faced with a series of court challenges that could have delayed implementation indefinitely. At the same time, Governor William Weld had vowed to veto any state legislation to revive rent control in Boston, Cambridge, and Brookline. The result was a compromise. Rent control was lifted immediately in the three cities, but a two-year extension was allowed for tenants qualifying for the federal definition of "lowincome"--less than 60 percent of the median for the region or 80 percent for the elderly and handicapped. In the end, 4 percent of the tenants in Boston and 10 percent in Cambridge and Brookline qualified for this extension. These groups were finally deregulated on January 1997.

Such a program could work in New York and San Francisco, perhaps with a slightly longer time scale. A three-to-five-year phase-out would seem reasonable. The effort could be helped enormously if builders and developers would pledge publicly to step up housing construction during the interim. Unfortunately, landlords and developers in both cities have become such pariahs that they rarely speak openly or work in concert. Boston landlords helped their cause enormously by setting up the reserve bank of 200 apartments for emergency relocations. Yet owners' groups in New York and San Francisco have done nothing comparable. Such an effort would go a long way toward allaying fears about deregulation.

The Morality of the Market

Human morality is based on the premise that virtuous behavior should be rewarded while harmful behavior ought to be punished. Where the rewards of the marketplace are concerned, it can truly be said that cities and nations get what they deserve.

Price controls are built around the concept that one particular group, the providers of some essential good or service, is a nefarious clique that must be wrestled into submission by the government. Oil company executives were the villains of the "energy crisis," and Congress portrayed itself as a gallant knight riding to the rescue of a distressed public. In fact, all that was at stake was the public's ability to tolerate the price increases associated with shifts in energy resources.

Rent control works the same way. Providing housing is perceived by some as an illegitimate enterprise. "Greedy landlords" become public enemies in rent-controlled cities and the entire political apparatus is geared up to subdue them. (The political party that has governed Santa Monica for the last 20 years is called "Santa Monica Renters' Rights.") The hate campaign against landlords feeds on itself, becoming a self-fulfilling prophecy, since owners in the shadow market can charge exorbitant prices, while owners in the regulated sector do best by making life uncomfortable for their low-rent tenants. Yet all that is really at stake is public willingness to accept the idea that some people make their living by providing housing.

Rent control is a disease of the mind that soon becomes a disease of the market. Those cities that resist infection --merely by having a healthy tolerance for the rights of others--are rewarded with a normal competitive housing market in which housing is available at every price level. Those cities that succumb to the disease of rent control are doomed to never-ending, house-to-house warfare over an everdiminishing supply of unaffordable housing. Public policy creates its own rewards.

Appendix:
Price Distribution of Available Rental Units for Various Cities

Atlanta, GA	**Boston, MA**	**Chicago, IL**	**Cleveland, OH**	**Dallas, TX**	**Denver, CO**
Houston, TX	**Los Angeles, CA**	**Miami, FL**	**New York, NY**	**Philadelpha, PA**	**San Diego, CA**
San Jose, CA	**Phoenix, AZ**	**San Francisco, CA**	**Seattle, WA**	**Toronto, Ontario**	**Washington, DC**
All Graphs (not recommended for slower connections)					

From: Saraswathy Kanniappan [mailto:[redacted]]
Sent: Thursday, March 31, 2016 5:06 PM
To: The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; Jones, Chappie <Chappie.Jones@sanjoseca.gov>; Kalra, Ash <ash.kalra@sanjoseca.gov>; Peralez, Raul <Raul.Peralez@sanjoseca.gov>; Matthews, Margie <Margie.Matthews@sanjoseca.gov>; Carrasco, Magdalena <Magdalena.Carrasco@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; Nguyen, Tam <Tam.Nguyen@sanjoseca.gov>; Rocha, Donald <Donald.Rocha@sanjoseca.gov>; Khamis, Johnny <johnny.khamis@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>; Grabowski, Ann <ann.grabowski@sanjoseca.gov>
Subject: Oppose Stricter Rent control

Dear Mayor Liccardo & City Council Members:

As a San Jose rental property owner, I urge you to oppose stricter regulations on the rental housing industry as these proposals will not create more affordable housing opportunities. In fact, these regulations would jeopardize safe, quality housing for our residents.

I am a responsible landlord and follow the rules of the law. It is my hope that you will determine as I have that we don't need punitive rent control regulations or an eviction-for-cause ordinance.

Punitive rent control measures lead to troubling consequences. There is an increase in the deterioration and under-maintenance of rent controlled rental units as owners reduce or eventually abandon upkeep, creating more dangerous neighborhoods where rental housing is clustered.

I know it is illegal to evict tenants in order to raise rent. If there are landlords who are skirting the rent control laws, then the city should punish them. Do not punish me by taking away my ability to provide my good residents a safe community. Let's continue to preserve strong San Jose neighborhoods and protect good tenants by allowing owners and managers to effectively manage their properties.

No one can deny that we do not have enough housing to meet demand. The only way we can address housing affordability is to make more housing available and support the construction of more housing for families of all income levels. Stricter regulations won't solve our problems.

I urge you to focus on meaningful solutions that will keep our economy strong, our communities safe, and provide quality housing opportunities for all residents.

Sincerely,
Saraswathy

March 31, 2016
Honorable Mayor and Council Members;

I was a single parent who works hard, a cancer survivor, am now a senior citizen and property owner/manager of units in San Jose .I pride myself on being fair and sensitive to my tenants needs. I am one of the 99.9% good landlords/managers acknowledged by the Housing Dept. I am proud that I kept up my property, never charged a late charge, never raised rent above to the maximum 8% allowed by ARO when justified, paid for repairs as needed, know the names of all my tenants and always passed all Code Enforcement inspections. :

My tenants call me when needed and I am respectful of their needs for safe habitable housing.
When a tenant needed a ride to the Dr or Hospital nor new job and they could not afford a taxi they called me and knew I would help.
When a tenant needed me to testify at a child custody hearing I was present.
When my tenant's cat died they wanted me to be with them at the Vet clinic.
I took my very ill tenant ,who had won the Purple Heart, to the VA hospital in Palo Alto during New Years because that was the right thing to do! He called and I answered his need.
II visited sick tenants in the hospital because they did not have family member in the area.
I never charged late charges and trusted that they would pay the rent… sometimes I waited two weeks plus!
I rented to a family that other landlords turned down because they were "homeless" and needed someone to give them a chance.
I arranged for a truck to help a tenant move their few possessions into their new apt.
I consider this a "people to people" business.

You might have concluded that I am one of the 99.9% good landlord/managers as acknowledged in the Housing Dept statement. I choose to believe I conduct my business by doing what is right and I treating my tenants fairly. Some may think I do not run a typical bottom line(profit only!) business because I consider my tenants needs as well as my own. Again, this is a people to people business.
I pay my mortgage debts, increase debt to cover pay for the *escalating* expenses including taxes, fees. utilities (water, trash and PGE) and gardening and capital improvements. I am proud that I do right by my tenants I fully expected that my retirement income would be result of my hard work since I have "earned" my income. I do not ask for a hand out .

How can I continue to be a property owner if I have a draconian ARO modification proposal passed that does not cover basic debts and expenses, capital improvement with increased debt to pay for the capital improvements expenses as needed on older buildings (roofs, plumbing, electrical, upgrade to kitchen and bathrooms)from continuing to do the hard of work of being a responsible landlord/manager?. Forcing owners to justify their profit in order to pass on capital expenses will deter owners from doing any more than the minimum they need to maintain their units. More red tape and bureaucracy isn't the answer

I fully expected that because I did right by my tenants. I would have the right to continue to "earn" my ***minimum retirement*** income after doing right. Given my experiences and concerns with the proposal I respectfully request that you ***not approve the Proposed Modification of the ARO*** and allow the 99.9% of the owners/managers to continue to be viable and continue to conduct their people to people business.. The .01% of Bad landlords can be addressed with existing state laws, educational pamphlets (Rights and Responsibilities of Landlords and Tenants), increase budget for Code Enforcement (not this three tiered system that lets the .01% of bad landlords slip through the system) or increasing Housing Dept bureaucracy.

Respectfully submitted,
Sheila Kay, Owner/Manager

From: Ali Pirooz [mailt[redacted]
Sent: Thursday, March 31, 2016 11:44 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Rent control

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

The units I have are the source of my income. Does the city housing department force the contractors limit their charge to %3.5 year over year? Do they enforce the home depot to limit their annual price increase to %3.5? Do they force the shopping stors of any kind that I buy my daily needs from to limit their price increase to %3.5?.....

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Ali Pirooz

From: mary lee [mailt[redacted]
Sent: Wednesday, March 30, 2016 10:30 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Rent control

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Marian Thein

From: Joseph Bommarito [mailto[redacted]
Sent: Friday, April 01, 2016 8:19 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Rent Ordinance

The proposal that is put forward on rent controls is bad for everyone, both Owners and Tenants.
Owners and Tenants should get together and have a win win situation for both Tenants and Owners.

Owners need Tenants !

Tenants need Owners !

Let's compromise.

Thank You,
Joe Bommarito
Property Owner

April 1, 2016

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Lawrence Gaffaney

[redacted]

San Jose, CA 95125

From: Roger Pennington [mailto[redacted]
Sent: Thursday, March 31, 2016 4:18 PM
To: Roger Pennington[redacted]
Subject: Anti-Retaliation laws for tenants already exists in California state law, redundant and unnecessary for Housing to include anti-retaliation database

California state law already protects tenants from evictions for 6 months after any complaint has been made in writing, no judge would permit/allow an unlawful detainer to go through against them if they showed evidence that a request for valid service was made and the landlord's request to vacate is retaliation.

Why would any landlord ask a good tenant to leave and risk the next one being worse and going through the trouble of advertising, cleaning, walk-throughs, security deposit itemizations, lease signing, copying, banking and such unless the existing tenant isn't working out.

https://www.google.com/search?q=civil+code+1942.2&ie=utf-8&oe=utf-8#q=california+landlord+tenant+law+retaliation

http://www.dca.ca.gov/publications/landlordbook/retalitory-actions.shtml

Retaliatory actions and eviction

A landlord may try to evict a tenant because the tenant has exercised a legal right (for example, using the **repair and deduct remedy**, (see Having Repairs Made) or has complained about a problem in the rental unit. Or, the landlord may raise the tenant's rent or otherwise seek to punish the tenant for complaining or lawfully exercising a tenant right.

In either situation, the landlord's action is said to be**retaliatory** because the landlord is punishing the tenant for the tenant's exercise of a legal right. The law offers tenants protection from retaliatory eviction and other retaliatory acts.[338]

The law infers (assumes) that the landlord has a retaliatory motive if the landlord seeks to evict the tenant (or takes other retaliatory action) within six months after the tenant has exercised any of the following tenant rights:[339]

- Using the repair and deduct remedy, or telling the landlord that the tenant will use the repair and deduct remedy.
- Complaining about the condition of the rental unit to the landlord, or to an appropriate public agency after giving the landlord notice.
- Filing a lawsuit or beginning arbitration based on the condition of the rental unit.
- Causing an appropriate public agency to inspect the rental unit or to issue a citation to the landlord.

From: Roger Pennington [mailto[redacted]
Sent: Thursday, March 31, 2016 4:13 PM
To: Roger Pennington [redacted]
Subject: Pacific Heights (film)

https://en.wikipedia.org/wiki/Pacific_Heights_%28film%29

The film's tagline is: "It seemed like the perfect house. He seemed like the perfect tenant. Until they asked him to leave."
Shows the risks a landlord takes when renting.
He moves in a tooth brush, stops paying/never pays, never signed a lease, has rights to stay, annoys others to leave, owners default on mortgage and lose their 30% deposit and one chance in a lifetime to jump into control for once.

https://www.youtube.com/watch?v=PrVtU25MSqQ
trailer

Country Club Villa
Apartments

April 1, 2016

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

My family business is of the minority of small business apartment communities who will be greatly affected by these proposed changes. Financially, we cannot accommodate more and more staffing to be able to comply with industry regulations, which has increased immensely over the years. Regulations passed down by the State of California, the County of Santa Clara and the City of San Jose, in addition to all Federal Government requirements. Our industry is becoming less and less operated by business owners and more and more operated by the government.

Federal:

- Our community has been inflicted with mail theft, almost daily. There are no means to help our Residents, except a backlogged Postal Department and zero help from our Congress Representative.
    - Consequently, Resident mail not being delivered
    - Major capital improvement needed to help ease this criminal activity, because the citizens of San Jose and the USA are left with no recourse of this crime.
- San Jose Police will not and apparently, cannot help.

State of California:

- The State of California's minimum wage increase is headed for the Governor's desk.
- Apartments Communities were required to make modifications to swimming pools, prior to the State drought issue.
- Apartment Communities were required to modify the interior of units with Smoke Detectors in all rooms.

City of San Jose:

- Change in Code Enforcement and increase in permit fees for property inspections.
- Code Enforcement is bias and discriminatory. Based upon "complaints." (See Toyon Avenue's sidewalk which looks like a skateboard ramp) Why are not all businesses required to comply with the same laws, for example: ADA parking, ADA requirements, and permits?

County of Santa Clara:

- Many non-profit groups "fishing" at ways to frivolously attack apartment owners with lawsuits.

Country Club Villa
Apartments

- Who defends the property owner? Our attorney's and their fees.
- Who regulates how many frivolous lawsuits these non-profits can file? Has anyone been under advisement from the DFHE?

- Environmental Health Department's inconsistency with regulations and far too many guidelines leaving zero management and control by the owner.

I have only named a pinch of regulations on our industry above. These are issues we have dealt with most recently. Our company complies with the law. The time, management and costs for just the above-mentioned items are not on our "day-to-day things to do list."

Our community was built in 1987 and since then we have seen changes in our industry from all levels of government. More and more, politicians desire to want their name in the "record books of law," for future job security, is making it impossible for small business to survive in the State of California. Perhaps the State, County and City should come together and give us a combined price to manage our company, because it certainly doesn't feel like a free democracy in our State and our Country anymore.

Last, my family was established in the City of San Jose in 1917. We developed one of our own family orchards to an apartment community in 1987. We have seen the market trend up and trend down which is incredibly predictable. We have seen so many changes burdened on our industry. Many changes I agree with for safety and communication between residents. However, I implore the Mayor and City Council to engage in the California Apartment Association on line webinars on the apartment industry. Listen to the advisements we learn during the courses. If you have never owned a rental property, you will soon start to feel like most apartment owners, managers and community staff feel. One thought in particular I had after completing the courses, "We can no longer talk to Prospective Residents, we can no longer speak to our Residents without the fear of being sued." We cannot regulate our own property and ask children to wear helmets, because we would be "parenting." I have to put a sign on my pool gate which includes the word "diarrhea." What is our world becoming? It really makes you feel like removing the playground, removing the swimming pool, etc.

Does the City of San Jose and State of California want to stop people from talking to each other, stop trying to encourage safety, and stop people from recreating? Let us run our company, we know what we are doing.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Marlo Ann Cortese
General Manager
Country Club Villa Properties
[redacted]

From: Shari Carruthers [redacted]
Sent: Friday, April 1, 2016 1:10 PM
To: City Clerk
Subject: San Jose Rent Control

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

We have owned a seven unit apartment building in a historical building now for three years now
and regularly do not increase our rents by the annual maximum of 8%. We have great tenants and take that in consideration when determining our increases. Most of our increases are below "average market" but allows us to have good quality tenants who have stayed in our building for a long time.Limiting the increases to the cost of living will not allow us to make the improvements we do annually to our building. Many of the improvements and services require more than the cost of living.

One of the reasons our LLC invested in San Jose (and are currently considering an additional investment) is that San Jose is one of the few cities in the bay area that has a reasonable rental control policy.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Shari and John Carruthers
Mark and Lynn Rogo

TULAROSA DRIVE PROPERTIES, LLC

From: Lily Yu-ting Shen [redacted]
Sent: Friday, April 1, 2016 2:10 PM
To: City Clerk
Subject: rent control

Dear Mayor and Council members:

As a landlord/realtor/property manager in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants and the economy, and the housing market in general.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. Also, when a new owner buys one of these properties, at a much higher costs than the previous owner, they have no incentive to spend more money to repair and put the property back to reasonable shape, because the rent control already tighten their cash flow due to the much higher mortgage.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Lily Shen

From: [redacted]
Sent: Sunday, April 3, 2016 10:49 PM
To: The Office of Mayor Sam Liccardo; Nguyen, Manh; City Clerk
Subject: opposition to Apartment Rent Ordinance changes

Dear Mayor and Council-members,

As a housing provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance. I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expense we, as housing providers, face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other city departments are severely understaffed.

The solution to the affordability crisis in the area is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply rather than increase burdensome regulations. Please vote to reject these onerous proposals.

Sincerely,

Daphne Lu

From: xiaoqiao zhuo [redacted]
Sent: Sunday, April 3, 2016 10:28 PM
To: xiaoqiao zhuo
Subject: Against Further RC in San Jose

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Carrie Zhuo

From: Julia Li [redacted]>
Sent: Sunday, April 3, 2016 10:14 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: Against further RC in San Jose

Dear Mayor and Councilmembers:
As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Julia Li

From: Bridgepoint Management [redacted]
Sent: Sunday, April 3, 2016 10:09 PM
To: The Office of Mayor Sam Liccardo; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: Rent Control will harm San Jose

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

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Sincerely,
Adeles Ma

From: Jim Chien[redacted]
Sent: Sunday, April 3, 2016 12:09 AM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Cc: Grabowski, Ann
Subject: More rent-controlled buildings are being demolished to make way for pricier housing

RE: I am strongly oppose Jacky's proposal to limit San Jose ARO apartment increase to CPI.

http://www.latimes.com/local/california/la-me-apartments-demolished-20160402-story.html

Dear honorable mayor and councilman:

Please click the above new headline today. more than 1000 rent controlled apartment lost just last year alone! in it's place newer apartment which is out of RC. This is what is happening in LA, but if Jacky's proposal is giving the light of the day, it will happen in San Jose!

- CPI is bare living essential, it does not reflect business cost.
- utility, insurance, material, contractor all go up each year, much more than CPI.
- I am sure your wage goes up more than CPI
- ARO only represent 1/3 of the apartment supply. These are older apartments owned mostly my mom and pop small operators, these apartment are already rent for much lower than average.
- If the rent increase is freezed at CPI, I know I will not be able to keep up my 4-plex would be glab to sell to a developer like the story above suggest.
-

Rent Control does not add any affordable housing, The housing department's own report shows that the ARO apartment rent
went from $628 to $1388 in the last 25 years, which is less than 5% a year. The sensational headline of greedy landlord raising
rent many hundreds dollars a year are all from newer apartment build after 1979. The ARO owner had nothing to do with it.
Why punish the 100% of the ARO owners for something that they did not do?

I feel like that Jacky is on a power grab, so that she can be this director of the 5 million a year huge housing department, on the
back of the mom and pop home owners. While at the same time, this big burden on the city, on the little property owners, does not
help the people it indented to help one bit.

The current ARO is working. Maybe strength it, but please not to turn it upside down!

Yours
Jim Chien

From: Ed[redacted]
Sent: Saturday, April 2, 2016 11:32 AM
To: City Clerk
Cc: Garrity, Greg; McNany, Natalie; Perez, Gabrielle
Subject: Proposed Apartment Rent Ordinance

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Ed Asato
[redacted]
Sunnyvale, CA 94087

[redacted]

From: andrew lui [redacted]
Sent: Monday, April 4, 2016 8:45 AM
To: Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk; The Office of Mayor Sam Liccardo
Cc: andrew Lui
Subject: a small landlord from san jose and sunnyvale

Dear Mayor,

I have a 4-plex in san jose and one in sunnyvale with 2 bedrooms each unit. The rent is $1350 even for the sunnyvale one without under the rent control. Now my san jose 4-plex rent is $1350/month for 2 bedroom 1 bath apartment. I sometime raised the rent max to $50 but it is limited to $25 per year, I can't survive. I need to sell to the new developer to build the expensive unit with high rent housing for the san jose later.

When I first bought the sunnyvale 4-plex, it has $710 per month per unit. Usually I increased the rent by 25 to 50 per year depending on the economics. In the boom time about 2001, I raise the rent to $1375 and later due to the recession, I have to reduce the rent down to $1000 per month. Now I raise the rent back to $1350. Do you think we need the rent control?

The rent control will hurt this old apartment, which provide the low rent to the low income family and killing all of them since the rent control limit the rent to only $25-30 per year. Sooner or later, the rent will lack behind a lot due to the compounded multiplier. However, with the high rent new apartment it will increase exponentially due to the compounded multiplier with the initial value high already. The low rent housing will be sold to the developer to tear it down for the new apartment. Therefore, later, there is no low rent apartment to supply to the city just like San Francisco.

I suggest the good solution is to apply the rental tax to tax the high rent unit to suppress the rent rising rapidly. The tax it proportional to the rent increase, the higher the rent, the high rental tax. Also you can use the tax to hire people for monitoring the housing and rent issues.

Yours sincerely,

Andrew Lui
[redacted]

From: [redacted]
Sent: Monday, April 4, 2016 9:23 AM
To: City Clerk
Subject: Rent Control & Building Restriction

Dear Mayor and Councilmembers:

We need to increase the supply of apartments. I have two suggestions:
(A.) Within 0.8 miles from Bart or light rail station, we do not require 1.8 parking spaces er unit, which will motivate the investors to modify or rebuild more units. If you walk from Market Street towards San Jose State Univ campus, it is obvious that parking spaces are not the concern if it is near the light rail. Parking space starts to be a concern after the 8th St.

(B.) We have plenty of land in South San Jose. Cisco System bought land to build years ago. However, I have not heard that they build anything. If so, how about motivating them to build or buy their land and give apartment builder to build?

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City.

In the past, I spent thousands to improve our building at 3002 Magliocco Dr. It is the best maintained building. Therefore, we have the best qualified tenants in the neighborhood. Should the new law discourage the investment, we will see the building and the neighborhood will deteriorate as result. If we go to City of Berkeley, we will notice that the building are old and owners do not want to upkeep the building, despite the strong demand from students at Univ of Calif. Berkeley. Had it happened in San Jose, it would make the 44,000 class C apartments deteriorate. We are not helping no one.

The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

John Lau
Magliocco Apartments LLC
BRE: 01101018; NMLS: 281726
Tel: [redacted] FAX: [redacted]

From: Roger Pennington [mailto:[redacted]
Sent: Saturday, April 02, 2016 1:51 PM
To: 'Roger Pennington'[redacted]
Subject: CPI is a manipulated number

Someone at District 3 meeting brought up a good point, that CPI is based on expenses not related to housing providers costs like plumbing, electrical and construction labor and financing costs.
So I looked at What is included in CPI?
Rent for one so rent needs to be open to fair market value to reflect the true costs being passed down, our costs are labor related, PG&E water, garbage, utilities, appliances, taxes, property taxes, insurance, our costs vary and are not fixed to CPI so our costs to stay in business are superior to tenants ability to pay, we must survive by finding people who can and will pay what we need to stay in business,
New construction doesn't want to be the most expensive but it is, it has to acquire land and build and permit and whatever their cost is put it into the rent and if nobody pays they stop building new but they are buying/renting and so newer buildings are being built.
In the time of the gold rush the costs of goods and rents to the miners soared, rightfully so because some chose to provide them rather than pan for gold themselves and they were here too, they were likely here first and enjoying the peace and quiet before all the traffic came and almost made them have to move but they charged and in a way were compensating themselves for their trouble and when the gold was all gone, it was the high prices that sent those living in the streets and rivers back to where they came from or caused them to build homes and new businesses for themselves rather than depend on the government to provide anything other than a chance for happiness.
What goods and services does the CPI cover?
The CPI represents all goods and services purchased for consumption by the reference population (U or W)
BLS has classified all expenditure items into more than 200 categories, arranged into eight major groups. Major groups and examples of categories in each are as follows:

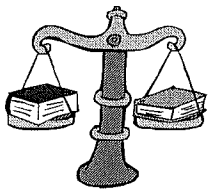
- FOOD AND BEVERAGES (breakfast cereal, milk, coffee, chicken, wine, full service meals, snacks)
- **HOUSING (rent of primary residence**,owners' equivalent rent, fuel oil, bedroom furniture)
- APPAREL (men's shirts and sweaters, women's dresses, jewelry)
- TRANSPORTATION (new vehicles, airline fares, gasoline, motor vehicle insurance)
- MEDICAL CARE (prescription drugs and medical supplies, physicians' services, eyeglasses and eye care, hospital services)
- RECREATION (televisions, toys, pets and pet products, sports equipment, admissions);
- EDUCATION AND COMMUNICATION (college tuition, postage, telephone services, computer software and accessories);
- OTHER GOODS AND SERVICES (tobacco and smoking products, haircuts and other personal services, funeral expenses).

CPI is a manipulated number, not relevant to volatile and sweeping costs associated with providing rental housing, instead housing costs are a component which makes up a significant part of CPI and to use CPI to affect housing increases would create a circular reference error in any spreadsheet.

CPI rates have dropped significantly while anyone who knows anything knows that property values have increased lately as opposed to when the renters were once home owners and walking away from their mortages to become renters, they had their chance to be owners and should have held on for the comeback

instead of making the banks fail and tax payers pick up the tab, inflation is the result but it's already corrected itself and no problems that rent control can improve upon for San Josean's.

Straight Talk - Not Chatter



H.O.M.E.

Homeowners Organized To Maintain Equity

April 4, 2016

TO: Mayor and Council [redacted]

FROM: Martha O'Connell [redacted]

RE: Just Cause Eviction, Duplexes and the Use of the MNOI formula

As an advocacy group for mobilehome park residents, HOME is acutely aware that all forms of affordable housing in San Jose need to be protected. The newly created Council Policy 6-33 states in pertinent part:

> According to data from the State Department of Housing and Community Development in the last 15 years, **approximately 900 mobilehome spaces have been lost in the four-county area due to park closure.** As housing and land prices increase, it is reasonable to assume these losses may escalate making it more difficult over time to relocate residents to mobilehome parks in San Jose and even within the four county area addressed in Chapter 20.180.

The time may come when some mobilehome park residents, in order to remain in San Jose, will have to move into an apartment in the event their park closes. **With this in mind, HOME joins with the Silicon Valley Renters' Rights Coalition (which includes the Law Foundation) in their March 20, 2016 recommendations for modifications to the City of San Jose's Apartment Rent Ordinance.**

We wish to especially call out the need for a robust Just Cause Eviction Ordinance, the addition of duplexes to the Apartment Rent Control Ordinance, and the use of the Maintenance of Net Operating Income (MNOI) formula when determining adjustments to the annual allowable apartment rent increases. The MNOI is currently used when mobilehome park owners petition for an increase above the annual allowable rent increase. It is a clean, easily understood, and legally defensible method of determining a "fair return." It works for mobilehome rent petitions and it will work for apartments and duplexes.

HOME urges the Mayor and Council to support the recommendations of the Silicon Valley Renters' Rights Coalition. We also note the recommendation from the Housing and Community Development Commission (HCDC) in support of a Just Cause Eviction Ordinance.

HOME – Homeowners Organized to Maintain Equity [redacted] San Jose, CA 95136

From: julie Duan [redacted]
Sent: Monday, April 4, 2016 2:11 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: No Rent Control in San Jose!

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Yunlei Duan

From: [redacted]
Sent: Monday, April 4, 2016 3:37 PM
To: City Clerk
Cc: [redacted]
Subject: Proposed Amendments to the San Jose ARO

Mayor Liccardo and Council Members,

My partners and I have attended the Advisory Committee meetings and have listened to the spirited discussions of all the affected stakeholders at the various public meetings. We have read the 165 page consultant report that was generated at the request of the City Council. We are troubled and concerned by the proposed amendments to San Jose's Apartment Rent Ordinance as outlined on March 1, 2016.

The Legislative Analyst's Office of the State of California, recently published a report entitled "Perspectives on Helping Low Income Californians Afford Housing." In short the report states that "elected officials should focus more on encouraging private residential development and less on existing government programs that subsidize construction or impose rent control." The 4 key points emphasized in the report are:

11. Expanding rent control does not increase the supply of housing, in fact, it likely would discourage new construction.
22. Remove barriers to private development will help improve the housing supply. (Local community resistance and CEQA) limit the amount of housing built in California – both private and subsidized.
33. Increased supply places downward pressure on prices and rents.
44. Increased development of market rate housing experienced considerably less displacement than areas where development was lacking.

We are a family owned business, operating properties in San Jose since 1979. We have 3 buildings covered by the ARO, comprising a total of 105 units (2 buildings in district 1 and 1 building in district 6.) We are fair landlords who take care of their buildings as evidenced by the fact that we have a tenant in one of the buildings who has been there since 1979. We have tenants across the 3 buildings that have been there 5, 10 and 15+ years. Our tenants stay an average of 4.5 years. In light of the proposed amendments to the ARO, we undoubtedly will reconsider operating our business in San Jose and move to cities more open to small business.

The proposed amendments regulate only 1/3 of the city's available rental housing stock and are punitive to the responsible landlords who own these units. This proposal is contrary to the City of San Jose's commitment of "being open for business." These amendments will only increase the bureaucracy within San Jose and pass those costs on to responsible landlords. Landlords should not have to petition the city for necessary capital improvements and investments into older housing stock. Because of the uncertainty of whether improvement costs can be passed-through, needed improvements and investments in the housing stock will decrease, which will lead to the deterioration of rent controlled units.

Rental owners, like their residents, value certainty, reliability, and stability. A fixed rate maximum allowable rent increase with a clear process for passing on capital expenses is far superior to the staff proposal. The CPI does not take into account the rising costs of insurance, taxes, maintenance and utilities while ensuring a fair return on my investment. The City of San Jose pension funds are expected to deliver a 7% return on investment each year, yet the City of San Jose intends to cap my return on investment, which is my retirement. How is this a "balanced" solution? The return on my investment is not for the City of San Jose or the courts to determine. The proposal of "rent roll back to January 1, 2015" is not a fair and equitable solution and will be legally challenged in the courts.

The current "No Cause" process, in place since 2003 works. We do not need to implement a new "anti-retaliation" ordinance. There are "anti-retaliation" protections for tenants already in place under existing state laws. Both sides need to be educated to reduce fear, uncertainty and doubt.

No one can deny that we have a serious housing shortage. The only way to address housing affordability is to make more housing available and support the construction of more housing for families of all income levels. The proposal outlined on March 1, 2016 does not solve the problem. The proposed amendments are not a "balancing" of stakeholders input, rather it is the Housing Department implementing the same rent control policies as other cities that have adopted a CPI based annual allowable increase. San Jose is just becoming a "follower" of bad economic policy.

Frank Bommarito
Housing Provider
April 4, 2016

From: JScarpace [redacted]
Sent: Monday, April 4, 2016 8:19 PM
To: City Clerk
Subject: San Jose Rent Control

April 4, 2016

Dear Mayor and Council Members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants and the apartment owners, forcing many of them to sell their properties.

Under the proposed recommendations, the reduced cap on rent increases and the restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City.
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As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
John & Joanne Scarpace
[redacted]
San Jose, CA 95130

April 4, 2016

Dear San Jose City Council members:

I continue to be frustrated over the years with the City of San Jose's efforts to create new taxes, fees, and regulations that continually chip away at a rental property owner's ability to raise funds for their property and produce income.

Since my mid-twenties I have thought about how I would fund my retirement. I drove my first two cars for over 190K miles and I gave up entertainment spending and countless weekends in order to save money. But these were conscious personal decisions I made in order to buy a rental property on a very meager salary. I worked on that property every weekend and put every dollar I had from two jobs into improving the property. My bills were a juggling act. I was even audited in the first two years because the IRS questioned how much money was going into property improvements.

Now that I am aging and approaching retirement, I can't work like I did in those days. I'm a self-employed blue collar worker who basically gave up my twenties for that property while friends were buying new cars, going on vacations, and enjoying their weekends. I have no pension plan or stock package from an employer to fall back on.

Now this lifelong nest egg I've put everything into is about to be further castrated from an already meager 8% annual rent increase limitation. My building is an older property which is why I invested so much over the years replacing, remodeling, and upgrading. And it must continue today in an effort to make this a desireable and trouble-free property. Newer rental properties don't have the maintenance and improvement expenses I do, yet I am being hit the hardest. My tenants have been in my building for many years because their rent drops further and further below market due to 8% rent control. Is that supposed to be fair to me as every cost around me goes up?

I can't continue to maintain, repair, and improve this property and expect to have retirement income with any deeper cuts in rent. Property taxes alone go up 2% a year. There's mortgages to pay. I'm absorbing rising costs for water, utilities, and garbage; maintenance/replacement costs; code enforcement costs, housing and mediation fees, and business taxes. How can I continue to provide the same living standards for my tenants and take care of the property in the way they are accustomed to? Something has to give.

Instead of increasing rent cutbacks to rental property owners in an already regulated environment, maybe all city residents should pay a healthy city housing tax from their personal 401K or retirement plans -- because that's essentially what I'm again being asked to do.

Scott Cooper

[redacted]

San Jose, CA 95120

[redacted]

From: Charles Shao [redacted]
Sent: Tuesday, April 5, 2016 11:39 AM
To: City Clerk
Subject: Rent Control

Dear City Council Member,

I am urging you to vote against the proposed rent control bill as it is. The proposed revision needs to be amended. The annual increase limit should be around 4% or CPI + 2% to be fair. Put the whole burden of helping the low income families on the shoulders of the small mom-and-pop landlords is just unfair. Why not find a creative, fair solution to solve San Jose's housing problem in stead of irresponsibly dumping the load to a group of innocent people who are depending on this income for retirement?

Charles Shao

From: chuck jagoda [redacted]
Sent: Wednesday, April 6, 2016 10:40 AM
To: Perry, Sandy; City Clerk
Cc: Stop the Ban Google Discussion Group; Robert Norse; Board; Ed Frey; Jen Padgett; Board Operations; Heiri Schuppisser; Chris Richardson; Julia@streetsteam.org; Shannon Robinson; Greg@streetsteam.org; geoff browning; B B; Silicon Valley De-Bug; Kelcy Fleming; kristina.loquist@bos.sccgov.org; Housing 1000; Richardson; city.council@cityofpaloalto.org; WILPF Peninsula Palo Alto; Paul Bains; DNG Letters; letters@paweekly.com; William Safford; Eddie Williams
Subject: Re: Affordable Housing Network Newsletter

Good morning Sandy and congrats on the response of the Affordable Housing Network to the proposed destruction of 500 functioning apartments on Winchester so they can be replaced with 600 more expensive apartments.

I agree with your message and will try to come to the SJCC meeting as you suggest on Tues Apr 19 at 1:30 p.m. However, I feel a stronger position is warranted and necessary. Your message says it clearly and powerfully:

"San Jose's affordable housing crisis is so severe, and affordable housing construction is so limited, that the situation calls for a policy of no net loss of any affordable units. Anything less than this will only contribute to the increased commute times and deteriorating social fabric already brought about by [this] crisis."

Nothing About Us Without Us

It is not acceptable, fair, or humane to destroy those 500 units on Winchester unless and until all the current tenants are rehoused.

Call it the Dirty Water Principle. To throw out dirty water before you have clean water means you know very little about management, housing, or survival.

There should be tenant input, tenant decision-making, and tenant housing.

The tenants are not the ones subtracting vitally important housing from a situation already inadequate. If the owners want to subtract 500 units from a City housing environment that is already under-supplied and inadequate, it becomes their responsibility to rehouse those tenants BEFORE tearing down their current housing.

This is so simple and obvious as to make explanation hardly unnecessary.

Does anyone defend the necessity of destroying The Jungle before the residents were relocated? Did anyone not feel sick in the pit of their stomach when all those people had to vacate and relocate in the rain with no where to go? I find it hard to imagine watching that scene and not feeling pretty bad about it. Do we really want to repeat that sin again and again? Is that our pattern? Is that our history and tradition? If so, it's time for a change.

If there were a surplus of housing, one could think about taking some off the table. However, in the case of San Jose, taking some off the table BEFORE you replace it means: (1) you don't understand the problem, (2) you don't understand the obligations of management, and (3) it's not your housing that is being destroyed. NO ONE would even think of such a thing being done to their homes. It's only possible to consider it if the housing in question belongs to someone else: a scapegoat, a colony, or client state with a dependent

population.

To take away cheaper housing and displace residents so that more expensive units can replace it is enforced gentrification, profiteering, and no help for the housing crisis whatsoever. It only makes it harder for poor people to survive and easier for rich people to have more of the resources the poor used to have. We have already had way too much transfer of wealth from poor to rich. The economic imbalance and inequality is already way too overwhelming. Making it worse will never make it better.

This idea is exactly what we don't need more of-- more of the same pattern of dislocation and enforced homelessness. More money for the wealthy, less housing for the poor.

I feel and believe the Affordable Housing Network should take a very firm stand on this-- including but not limited to tenants linking arms and standing firm in a line to prevent the first demolition equipment on the premises, a rent strike, a very public campaign to educate about and prevent this travesty, this policy of more of the same anti-tenant behavior that has put us in the terrible situation we are currently in. Making it worse before you make it better will not work, will not help, and is immoral. We will not stand by and let it happen again.

I will be at the Affordable Housing Network meeting at 5:30 on Wed (today) at the Somos Mayfair office, 370 B South King Road in San Jose.

Chuck Jagoda, Homeless/Housing Advocate

Stop The Ban; Women's International League for Peace and Freedom

On Tue, Apr 5, 2016 at 8:23 PM, [redacted] wrote:

This month's Affordable Housing Network Meeting is at 5:30 PM tomorrow Wed. at the Somos Mayfair office, 370 B South King Road in San Jose. It is at the corner of King & Vollmer, about three blocks north of Highway 280.

Please join us!

The attached photo was taken by LUNA at our vigil for the displaced at the Mayor's State of the City Celebration at Overfelt High School on March 5.

Sandy Perry

PLEASE COME AND SUPPORT LOW-WAGE TENANTS
Critical SJ City Council Meeting on April 19

After a year of meetings and political actions, the San Jose City Council will finally take action on improving the city's Apartment Rent Ordinance (ARO). They are set to decide on the allowable rent increases for the 43,000 apartments covered by the ARO and if landlords will be required to show good cause in order to evict a tenant. The Renter's Rights Coalition is pushing for rent increases no larger than the rate of inflation and a strong just-cause ordinance to stop unfair evictions, but they need our support to win. They expect landlords to swamp the council chambers, so we need to make sure at least 200 tenants and their supporters show up - and testify!

The meeting is on Tuesday afternoon, April 19, at 1:30 PM at the San Jose City Council Chambers. Come early

for a good seat!

The Reserve Apartments Demolition

With little notice to residents, the San Jose City Council voted on February 23 to allow the demolition of the Reserve Apartments on Winchester Boulevard. The demolition is slated to happen in early to mid-2017 and will displace the approximately 500 residents living in the 216 affordable, rent-controlled units. The apartments will be replaced by a development of 600 market rate units in four or five story buildings.

The city council approved this unconscionable displacement because it is trying to increase housing supply. But increasing supply by evicting hundreds of people is not acceptable. Current residents have nowhere affordable to move to and were offered no relocation benefits by the multi-billion dollar Greystar Real estate Partners that is developing the property. Greystar only offered"resident communication" and "120 days written notice" and assistance finding a new apartment in another Greystar property at considerably higher rents.

Councilmember Chappie Jones promised to propose a relocation ordinance to assist residents in any similar future relocations.

The Affordable Housing Network developed the following recommendations for an effective relocation ordinance:

1. Intent: We agree with the purpose stated in East Palo Alto's relocation ordinance, namely"to accord tenants the maximum possible protections," plus "certain additional rights and privileges necessary to deal with the housing shortage." That Silicon Valley in general and San Jose in particular are suffering a severe affordable housing shortage is indisputable. In this situation a relocation ordinance should provide tenants the maximum legally permissible protections and benefits.

2. Relocation payments: Other California ordinances provide a range of payments, from two months fair market rent to up to $18,000 – $20,000. Given the extraordinarily high rents in San Jose, our ordinance should contain benefits at the high end of the range of California ordinances, not the low end.

3. Moving expenses: Some ordinances allow for moving expenses from $1,120 to $3,364. From the tenant's point of view, it makes no difference if moving expenses are separated out from other relocation expenses. The point is for the total package to be high enough to allow a tenant to relocate to a similar apartment within the City of San Jose, and not be forced to uproot his or her family, move out of the area, and/or possibly end up with a three or four hour daily commute.

4. Qualifications: Many ordinances limit relocation payments to tenants with incomes below 80% of median, and provide significant extra benefits for tenants who are elderly and/or disabled. We believe relocation payments should not be limited by income, although we support extra payments for seniors and people with disabilities, and are not opposed to the concept of higher payments to low-income tenants. In addition, many ordinances adjust benefits according to the length of tenancy.

5. Replacement units: Some Californiarelocation ordinances require the owner to replace - at comparable rents - low-income units that are demolished or withdrawn from the market. The Affordable Housing Network supports an ordinance that will guarantee one-for-one replacement for every unit removed from the market either by demolition or withdrawal. San Jose's affordable housing crisis is so severe, and affordable housing construction is so limited, that the situation calls for a policy of no net loss of any affordable units. Anything less than this will only contribute to the increased commute times and deteriorating social fabric already brought about by crisis. In San Jose this replacement could be accomplished either through permanent affordability restrictions on some of the new units, or by requiring that they be subject to the city's Apartment Rent Ordinance. These affordability restrictions should be in addition to, and not a substitute for, the City's inclusionary zoning and housing impact fees. Those policies are designed to offset the impact of additional development, not to compensate for demolitions or withdrawals. In addition, many ordinances require a right of return or right of first refusal for displaced tenants in any new rentals opened on the site where they used to live.

Santee Tenants Obtain Legal Representation

Repeated protests, meetings, and testimonies are bringing about changes in the illegal and oppressive practices of property manager Alice Ogaswara in the Santee neighborhood. Tenants have resisted unjust evictions in court cases and in Housing Department mediations. The Mayor's office is investigating the situation and Housing Department and Code Enforcement have set up weekly office hours to receive complaints and assist residents. Attorneys from the firm Behrend, Morrison, and Alexandra met with tenants on March 23 and agreed to represent them going forward. They came to the neighborhood on April 1 and collected testimonies for potential legal action. Tenants new and old are coming together with long time community leaders and South Bay Tenants Union to take action against months and years of abuses.

--
Chuck

From: Monica Guarino [redacted]
Sent: Wednesday, April 6, 2016 5:19 PM
To: City Clerk
Subject: RE: ARO proposed changes

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Monica Guarino | Community Manager

Willow Lake Apartments
[redacted]
San Jose, CA 95131

www.WillowLakeApts.com
Phone [redacted]
Fax [redacted]
After-Hours Maintenance Emergency? Call [redacted]

From: Elizabeth (Ashley) Clark[redacted]
Sent: Wednesday, April 6, 2016 5:42 PM
To: City Clerk
Subject: San Jose Rent Control

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

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As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

E. Ashley Clark | Regional Portfolio Manager

Essex Property Trust, Inc.
[redacted]
San Mateo, CA 94403

Find your new home at
EssexApartmentHomes.com
Phone [redacted]

From: Brian Cox [redacted]
Sent: Wednesday, April 6, 2016 6:29 PM
To: City Clerk
Subject: Changes to the ARO

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Brian T. Cox
Vice President, Multifamily Portfolio
The Sobrato Organization

From: Sandy Adams <[redacted]
Sent: Wednesday, April 6, 2016 6:38 PM
To: City Clerk
Subject: Opposition to ARO changes

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

--
Sandy Adams
President
Rental Housing Network
[redacted]
www.rentalhousingnetwork.com
[redacted]

RENTAL HOUSING
NETWORK

From: AnnaDennisRE Homes [redacted]
Sent: Wednesday, April 6, 2016 7:23 PM
To: City Clerk
Subject: rent control

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Dennis Stavropoulos [redacted] direct

From: Joan McAlister[redacted]
Sent: Wednesday, April 6, 2016 9:08 PM
To: City Clerk
Subject: Rent control

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Barbara J. McAlister
Property Owner

From: Virginia Hao [redacted]
Sent: Wednesday, April 6, 2016 9:36 PM
To: City Clerk
Subject: Rent Control Ordinance

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Virginia Hao

From: CoreMat Inc.[redacted]
Sent: Wednesday, April 6, 2016 10:17 PM
To: City Clerk
Subject: Opposition to Apartment Rent Ordinance

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Arlene Oliver
[redacted]
San Jose, CA 95135
[redacted]

From: [redacted]
Sent: Wednesday, April 6, 2016 10:53 PM
To: City Clerk
Subject: Reflections on the Proposed Apartment Rent Ordinance

Dear Mayor and Councilmembers:

I have a sixplex in downtown San Jose. My wife and I have owned and managed it since 1989. Sometimes we raise rents, sometimes we don't. We appreciate our tenants and try to provide them with a nice place to live at our price point.
Our tenants currently:
Unit 1: a software engineer, in residence since 1989.
Unit 2: a journeyman plumber
Unit 3: a chiropractic student and his girlfriend who works in a bike shop
Unit 4: a med tech in an assisted living facility, her husband is starting a business in maintaining apartments, and their two kids.
Unit 5: Two women, one just graduated from SJSU, one graduated a year ago and is working on her masters on line as she works a day job in Special Ed.
Unit 6: a couple, the husband works in tech in Redwood City, as the wife works toward her Masters at SJSU.

Please consider this:
When we had a vacancy, we had applicants who were moving out of new City subsidized apartments because their introductory "low income" rents were going up to the actual approved "low income" rents the City allowed. Our rents, of course, were lower. Of all the millions and millions of dollars in bonds the City spent building new deed restricted housing, our rents are lower than that of the City subsidized apartments.

Whenever you hear accounts of rents being raised 50% or 300% or these huge amounts, you must realize that none of these instances have anything to do with apartments covered under the proposed ordinance. Your proposed ordinance only deals with apartments built before 1977. We already cannot raise rents more than 8%. This Ordinance does nothing about the huge increases reported in the media. .

Also, the idea that if I decide NOT to raise rents, I need to figure out each year how much I COULD have raised rents, then document that to my tenants and the City - well, that's just asinine. If I have to go through all that, I might as well just raise rents - its the same amount of work. Jeez, who comes up with these things? Apparently, your Housing Department.

Bob Stevens

From: Alan Louie [redacted]
Sent: Wednesday, April 6, 2016 11:17 PM
To: City Clerk
Cc: Alan Louie
Subject: I oppose rent control

Dear Mayor and Council members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Alan Louie, REALTOR ® and RE Broker
2016 VP - AREAA SF Peninsula
License # 01204336
[redacted] direct

Happy New Years to all my Friends, Relatives and Clients. May you have a wonderful, healthy and prosperous 2016. Contact me for your real estate, property management or notary services.

This email communication contains CONFIDENTIAL INFORMATION WHICH ALSO MAY BE LEGALLY PRIVILEGED and is intended only for the use of the recipients identified above. The information may also be protected by the Electronic Communications Privacy Act 18 USC §§ 2510-2521. If you are not the intended recipient of this communication, you are hereby notified that any unauthorized review, use, dissemination, distribution, downloading, or copying of this communication is strictly prohibited. If you are not the intended recipient and have received this communication in error, please immediately notify us by reply email, delete the communication and destroy all copies.

From: Daniel Catania <cataniaapt@aol.com>
Sent: Thursday, April 7, 2016 8:42 AM
To: City Clerk
Subject: Rent control opposition

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Dan Catania

From: Casey McManus[redacted]
Sent: Thursday, April 7, 2016 8:42 AM
To: City Clerk
Subject: San Jose Rent Control/ARO

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

--
Casey McManus
General Manager
River View

[redacted] | San Jose, California | 95134
cmcmanus@irvinecompany.com

IRVINE COMPANY
Since 1864

Please consider the environment before printing

From: Sg123 [redacted]
Sent: Thursday, April 7, 2016 8:44 AM
To: City Clerk
Subject: ARO

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

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As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Steve Ghaffari

From: Anil Desai [redacted]
Sent: Thursday, April 7, 2016 9:46 AM
To: City Clerk; Anil Desai
Subject: Rent Control is Unfair

Dear Mayor and Councilmembers:

City has no right to punish a few property owners who have worked hard for many years to build their nest egg

Yes, the rents are high right now, but they were so low during the recession, that we had hard time making mortgage payments.

During the time of recession, there was no help from the city.
This particular rent control proposal will affect very adversely a small percetage of apartment owners - mostly mom and pop.

The real solution is not rent control but more housing development.

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Anil Desai, Gita Desai
[redacted]

From: Nicole Conrad (Gibson)[redacted]
Sent: Thursday, April 7, 2016 9:47 AM
To: City Clerk
Subject: More supply not regulations

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Nicole Gibson Conrad | Area Manager

Essex Property Trust, Inc.

Disclaimer: This message and any attachments may be privileged, confidential or proprietary. If you are not the intended recipient of this email or believe that you have received this correspondence in error, please contact the sender through the information provided above and permanently delete this message.

April 7,2016

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

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Sincerely,

Devika M Udani
Owner, [redacted] San Jose CA 95122
[redacted]gmail.com

From: Rob Moore [redacted]
Sent: Thursday, April 7, 2016 12:32 PM
To: Chen, Wayne
Cc: Grabowski, Ann; The Office of Mayor Sam Liccardo; Henninger, Ragan; Lujano, Jose; Khamis, Johnny; Connolly, Shane Patrick; Salcido, Jose; Peralez, Raul; Ramos, Christina M; membership@caanet.org; Howard, Josh; City Clerk
Subject: Re: Request for ARO Staff Recommendation Process Clarification

Dear Wayne -

CC: CityClerk, Honorable Mayor and Councilmembers

It has been over 2 weeks now without any response nor acknowledgement from you regarding my questions below.

This lack of response validates my worst fears ... That the Housing Department is either unwilling to share or it has no methodology in place for gathering and assessing data, that it has no empirical evidence the current ARO is broken, and therefore it has used the opportunity to evaluate proposed changes to ARO to merely justify additional headcount for the Department (via questionable registry tactics).

Please, just admit that the current ARO in San Jose is the most fair and balanced rent control program in California.

To solve the relatively small number of issues with ARO-only units, the City simply needs stronger code enforcement towards bad Providers and Tenants alike.

My specific suggestion is for City Council to strongly question the methodology (or lack thereof) and quality of data behind Housing's final recommendations and to vote NO on any proposed changes to APO based on a lack of due process and evaluation of data presented to date.

Regards,
Rob Moore
San Jose Resident and Rental Housing Provider

On Wed, Mar 23, 2016 at 1:48 PM, Rob Moore<roblues@gmail.com> wrote:

> In response to 03/23/16 email from Jacky Morales-Ferrand: "Cancelled: ARO Owner Workshop"
>
> Dear Wayne -
>
> Thank your of the opportunity to ask questions regarding the processes your team is using to develop preliminary staff recommendations on changes to the current ARO.
>
> My 2nd job is owner/operator of a 1963 4-plex in District 10 that I purchased in 2010 as income property. Over the past months I have attended four ARO Advisory Council and Housing Commission meetings in which I heard many stories and arguments from both the provider and owner side. I have

also followed progress online.

My 1st full-time job is program manager in enterprise software (working for the company that sponsors the Shark Tank ;-) In context of software "black box testing" I would, and I believe the public would, like to understand the algorithms used in your teams' black box. That is, what is the scoring and selection processes used to assign values and weigh data and feedback received from public meetings and public comment, from the consultant report, and from Housing Department research with other ARO cities?

Frankly, I'm not seeing expected outputs in the "Preliminary Staff Recommendations" document given the inputs I have heard in the public meetings and public comments online. The draft recommendations appear heavily weighted towards tenant rights and to support a self-funding registry mechanism for the Housing Department to hire additional staff for policing ARO owner/tenant relationships. I understand it is a draft but it appears very incomplete with regards to: enforcement and penalties, education/outreach to owners and tenants, registry processes, definitions of sustainable capital improvements and cost recovery, etc.

In addition I would like to know:

How you are parsing and using inputs from ARO vs. non-ARO relevant data sources? For example, many tenants at the Housing Commission meeting on March 21st spoke of rent spikes and eviction notices in a rental house or duplex property, non-ARO units. To accurately examine if the current San Jose ARO situation is working or not, are you tossing out such non-ARO inputs as not relevant to the staff recommendations?

I would also like to request that you include statistical information (summary of counts/percentages) from public comments and public meetings about who speaking up on topics relevant to ARO vs. non-ARO. These counts would be ideally placed in the 'C. Rationale" sections of the staff recommendation document. For example, total counts of opposing vs. supporting comments with an explanation how you are weighing owner letters vs. signatures on boiler plate letters from PACT, South Bay Tenants Union, Presentation High School, Affordable Housing Network, and Sacred Heart / SJSU Housing Action Committee? Do letters signed by children and uninformed citizens who do not understand the differences between ARO and non-ARO units nor implications of the proposed changes weigh the same (more or less) as owner/provider letters and comments?

Explanations and inclusion of such clarified data will help readers of staff recommendations discern between the "apples and oranges" (ARO vs. non-ARO) source data you appear to be including in the document. Preferably, please identify and inform us of which is which, and remove non-ARO data, arguments, and influences, so we can focus and decide on issues affecting ~44k ARO units only.

Please note I have copied Ann Grabowksi for pubic record, the Mayor's office, the office of my district Councilmember Johnny Khamis, the office of Councilmember Raul Peralez per the original proposal for changes to ARO, and the California Apartment Association Tri-County FYI.

Thank you in advance for your consideration and for your reply to my questions.

Regards,
Rob Moore

San Jose Rent Control Update

JW Jonathan Wilhelm [redacted]

Reply all |

To: City Clerk; 8:19 AM

From: Jonathan Wilhelm [redacted]
Sent:
To: City Clerk;

Dear Mayor and Councilmembers:

As a Home Owner in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible home owner, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Best Regards,

Jonathan Wilhelm

o. [redacted] | f. [redacted]

marketshare inc.
www.marketshareonline.com

[redacted] / Milpitas , CA 95035
[redacted]

NO more Rent Control

DT Donald Tanner <[redacted]>

Reply all |

To: City Clerk; 8:27 AM

From: Donald Tanner [redacted]
Sent:
To: City Clerk;

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Donald N. Tanner Jr.

Real Estate Broker

TANNER Homes
Direct [redacted]
Email [redacted]
www.TANNERHomesRE.com & www.LiveInSantaClara.com

CA BRE# 01002105

Oh, by the way®... if you know of someone who would appreciate the level of service I provide, please call me with their name and business number. I'll be happy to follow up and take great care of them.

Bella Villagio

April 7, 2016

Dear Mayor and Council Members,

As the Community Manager of Bella Villagio in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Anthony Rubio
Community Manager

[redacted] P[redacted] [redacted]

Apartment Rent Ordinance

CM Calvera Management [redacted]

Reply all |

To: City Clerk; 9:23 AM

From: Calvera Management <[redacted]

Sent:

To: City Clerk;

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Brian

From: Lucy Kasparian [mailto[redacted]
Sent: Thursday, April 07, 2016 5:30 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: Apartment Rent Ordinance (ARO)

Dear Mayor and Council Members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Lucy Kasparian,
Small (4 units)Owner
(408[redacted] cell

south ONE market

April 7, 2016

Dear Mayor and Council Members,

As the Community Manager of One South Market in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Elissa Norman
Community Manager

[redacted], San Jose, CA 95113
P: [redacted] F: [redacted]
www.liveonesouthmarket.com

San Jose Silicon Valley
CHAMBER OF COMMERCE

Executive Committee

2016 BOARD CHAIR
Jim Lynch
San Jose Water Company

FIRST VICE CHAIR
Dan Bozzuto
Bozzuto Insurance Services

SECOND VICE CHAIR
Lennies Gutierrez
Comcast

VICE CHAIR ECONOMIC DEVELOPMENT
Cosme Fagundo
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VICE CHAIR MEMBERSHIP ENGAGEMENT
Michael Fox Jr.
Goodwill Silicon Valley

VICE CHAIR MEMBERSHIP ENGAGEMENT
Joe Schumaker
SCG FoodSpace

VICE CHAIR WORKFORCE EDUCATION
Irene Chavez
Kaiser Permanente

VICE CHAIR PUBLIC POLICY
Tracey Enfantino
Environmental Systems, Inc.

AT-LARGE
Michael Bangs
Oracle

Mary Ellen Ittner
Pacific Gas and Electric Company

Bruce McKenzie
Silicon Valley Capital Club

Jonathan Noble
Microsoft

Michael Turpin
Bay Area News Group

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Heritage Bank of Commerce

CHAMBERPAC CHAIR
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Eugene Ashley, Esq.
Hopkins & Carley,
A Law Corporation

TREASURER
Marc Parkinson
Petrinovich Pugh & Co., LLP

IMMEDIATE PAST CHAIR
Sean Cottle
Hoge Fenton Jones & Appel

PRESIDENT & CEO
Matthew R. Mahood
San Jose Silicon Valley
Chamber of Commerce

The Honorable Mayor Sam Liccardo & City Council
San Jose City Hall
200 E. Santa Clara Street, 18th Floor
San Jose, CA 95112

April 8, 2016

RE: Rent Control Modifications (ARO)
Notice of OPPOSITION

Honorable Mayor Sam Liccardo & City Council:

On behalf of the San Jose Silicon Valley Chamber of Commerce Board of Directors we would like to express our opposition to the Draft Recommendations of the City of San Jose Apartment Rent Ordinance released March 1, 2016.

The proposed modifications as suggested by the City of San Jose Housing Department are seen by our membership as an overreach on private investment and a discouragement on future rental property investment. We recognize that these recommendations are well intentioned; however, this is not the way we see our elected leaders addressing this issue. Moreover, we do not believe these changes will have a positive impact in the effort to address skyrocketing rental prices.

Additionally, tying rent increases to the Consumer Price Index, eliminating Debt Service Pass-Through and hiring additional staff to manage another City of San Jose program will only complicate an already cumbersome property management process.

Once again, the San Jose Silicon Valley Chamber of Commerce would like to express its opposition to the Draft Recommendations to the City of San Jose Apartment Rent Ordinance.

Sincerely,

Matthew R. Mahood
President & CEO

April 7, 2016

Dear Mayor and Council Members,

As the Community Manager of Epic in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Davina Slusher
Community Manager

LEAGUE of WOMEN VOTERS SAN JOSE/SANTA CLARA
P.O. Box 5374 San Jose, CA 95150
(408) 271-7163
www.lwvsjsc.org
info@lwvsjsc.org

April 5, 2016

Mayor Sam Liccardo
Vice Mayor Rose Herrera, Councilmember, District 8
Councilmember Charles "Chappie" Jones, District 1
Councilmember Ash Kalra, District 2
Councilmember Raul Peralez, District 3
Councilmember M. Nguyen, District 4
Councilmember Magdalena Carrasco, District 5
Councilmember Pierluigi Oliverio, District 6
Councilmember Tam Nguyen, District 7
Councilmember Donald Rocha, District 9
Councilmember Johnny Khamis, District 10

Re: **Recommendations for Modifications to the City of San Jose Apartment Rent Ordinance**

The League of Women Voters San Jose/Santa Clara appreciates the opportunity to comment on the Draft Recommendations for Modifications to City of San Jose Apartment Rent Ordinance (ARO). We are in support of the proposed modifications of the ARO based upon adopted League positions. LWV California supports action at all levels of government for the provision of affordable housing for all Californians and supports measures that protect "the rights of both tenants and landlords." The overarching LWVUS position regarding housing supply is that every family should have a decent home and a suitable living environment and that government has a responsibility to ensure that this happens. It also has a very specific position stating the rights of tenants to negotiate for proper maintenance and management of facilities.

The League acknowledges that the Study of the City of San Jose Apartment Rent Ordinance conducted in January found the current ARO has done little, if anything to lower rents. The market prevailed. However, that fact will not prevent potential staggering rent increases if the existing ARO is not modified. (For example, if a landlord has not increased rent for a two-year period, an immediate 21% increase is allowed plus additional pass-through costs.)

Annual Allowable Rent Increases

It makes sense to link annual allowable rent increases to local inflation rates rather than an arbitrary fixed percentage which cannot adequately reflect sudden market changes. A reasonable fixed rate protects neither tenant or landlord. We support use of the CPI-U for the San Francisco-Oakland-San Jose area as the basis to determine the rate of rent increases. Courts have ruled that this methodology does not constitute a taking. We note that unlike some other California cities with rent stabilization ordinances, San Jose will allow 100% of CPI-U.

The ability of owners to earn a fair return is protected by a floor of 2% regardless of the inflation rate, banking of unused increases, use of the MNOI standard and the right to file a "fair return petition" with the City. Vacancy decontrol mandated by State law also provides opportunities for owners to "catch up" to market rate rents. The January Study documented that over two thirds of all rental units revert to market rate within five years. Since ARO units house some of the City's most vulnerable residents, we support the ceiling of 8% as the cumulative annual rate for rent increases because it provides an important protection for tenants.

Debt Service Pass-Through

The ARO existing ability to pass 80% of an owner's debt service to ARO tenants can generate huge rent increases when a property is sold. The League agrees with Housing staff that owners are responsible for conducting due diligence prior to the purchase of rental properties and debt service should be carried as an investment cost, not an operating cost. We support the elimination of the debt service pass-through.

Capital Improvement Pass-Through

We support the recommendation to eliminate the current capital improvement pass-through that allows owners to pass capital costs to renters amortized over only 60 months. The Court-upheld MNOI standard linked to CPI-U includes reasonable capital costs such as repair and replacement of major systems. As noted above, owners have the right to file a "fair return petition" if capital costs during a given year do not allow a fair return on investment.

Limited Capital Incentive Programming

We support the limited capital improvement program as recommended as long as the costs are removed from the base rent once improvement costs have been recovered, and the 8% cumulative ceiling remains in place. Incentives for ADA, seismic retrofit, conservation and safety are appropriate to support Citywide goals. Since costs are amortized over 5 years and do not become part of the base rent, impacts on tenants will be minimized and owners will be motivated to make such improvements.

Revised Notification Requirements

We support the proposed modifications as described. The HUD standard of a 5% vacancy rate should be used to define a tight market, not the 3% in the existing ARO. Full disclosure to tenants regarding the ARO and potential rent increases is a necessary protection to reduce "rent shock" and decrease tenant/landlord conflicts.

Amendments to facilitate monitoring and enforcement of the ARO

We support the creation of a rent registry to ensure that tenant rights under the revised ARO are fully protected. We note that six of eight California cities with rent stabilization use either a rent or unit registry. Costs of the rent registry are equally divided between owner and tenant.

Consideration of a Good Cause Eviction Ordinance

We support the recommendation to create an Anti-Retaliation & Protection Ordinance (ARPO) as a companion program to a significantly modified ARO. Tenants fearful of eviction living in one of the hottest rental markets in the country will not report code violations and need protection from retaliatory evictions. The ARPO provides just-cause protection for two years if a tenant's code violation complaint is substantiated by the City. Owners are not subject to just-cause provisions if the violation is judged to be caused by the tenant. We respectfully suggest that the effectiveness of ARPO should be evaluated one year from enactment. We note that many cities with rent stabilization programs employ a just-cause eviction model.

The gap between ARO units and non-ARO units has narrowed from 20% in 2009 to just 8% in 2014. The need to take action is urgent. We thank City Councilmembers, Housing Department staff, tenant and landlord advocates, the Advisory Committee and the Housing Commission for the extraordinary amount of work completed to date.

Sincerely,

Cecilie Schulze
President, League of Women Voters San Jose/Santa Clara

From: Sherman Tran [mailto:[redacted]]
Sent: Friday, April 08, 2016 1:52 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: NO on changes to ARO

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Sherman

Sherman N. Tran, MD

[redacted]
Campbell, CA 95008
[redacted]
www.ssmedgroup.com

From: Paul Conrado [redacted]>
Sent: Friday, April 8, 2016 4:00 PM
To: City Clerk
Cc: Paul Conrado
Subject: Rent Control Ordinance, San Jose, CA

Dear Mayor and Council members:

As an owner of an almost 70-year-old four-plex in San Jose, I want you to know I am against the proposed changes to the Apartment Rent Ordinance. I feel the changes as proposed will not help tenants, and will not provide additional affordable housing.

The increased restrictions on rent increases and capital improvement pass through will force me to not improve my building as planned. While it meets current codes, it could be upgraded and improved, but your ordinance changes make that financially infeasible. As a builder, I know what things cost. The current ordinance is restrictive enough, without increasing the burden on building owners.

We have been very fair to our tenants, with most paying below market rents. The current ordinance protects those tenants. The proposed changes would not allow us to make upgrades we had planned, as we would have no way to recoup our costs.

Additionally, hiring staff to inforce an overly burdensome ordinance seems like a tremendous waste of our City's resources.

I urge you to realize the economic mistake these new changes are, and vote to reject these onerous proposals.

Thank you.

Paul R. Conrado
[redacted]
San Jose, CA 95126

Paul R. Conrado
President and CEO

www.conrado.com
[redacted]

From: Sue Anderson [redacted]>
Sent: Friday, April 8, 2016 4:15 PM
To: City Clerk
Subject: Opposition to Rent Control Ordinance

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants. It will drive many of us out of the rental housing business. If it is not profitable, why do it? We can find other forms of financing our retirement. We own several adjacent properties and have already been approached by realtors who have developers interested in buying our properties. At the time, we turned them down. However, this is much more attractive if the proposed rent control recommendations pass that under consideration by San Jose Council members.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. Our properties range in age from 60 to 140 years old. Our aging father did not maintain them and many sat empty for decades. We need the income in order to invest in these properties and to bring the vacant ones to the market. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Sue Anderson

From: Mary Driedger <[redacted]>
Sent: Saturday, April 9, 2016 1:29 PM
To: Mary Driedger; Oliverio, Pierluigi; Kalra, Ash; Rocha, Donald; Khamis, Johnny; Carrasco, Magdalena; Nguyen, Manh; Peralez, Raul; Nguyen, Tam; Jones, Chappie; The Office of Mayor Sam Liccardo; City Clerk; Herrera, Rose
Subject: Proposed changes to the rent ordinance.

Dear Honorable Mayor, and all Dedicated Councilpersons:

I know the decisions you are attempting to make are quite challenging.
It sounds so helpful to say you are trying to stabilize rental rates. The best way to stabilizerents is not to place unreasonable restraints on the free market.

However, the reason that rental rates are rising is that San Jose is attracting quality engineers and other well paid professionals who want to live in environments that feel uplifting to them.
These businesses that employ them are bringing hundreds of thousands of dollars into our local economy.
All of these quality residents are protected if they reside in ARO units from ANNUAL increases beyond 8%.
Therefore, I do not understand the pressure to protect those well paid residents.
I think the housing department was significantly lacking in providing accurate and fair evaluations of the effects of stronger rent control and how it has negatively impacted other cities throughout the United States.
PLEASE READ THESE REPORTS
Those residents in all those 44,0000 ARO controlled units will be given the unique opportunity of having very limited rent increases.
You are entrusted by all your constituents to make the best decisions for all of the occupants of San Jose, including property owners who will be affected by severely declining real estate values due to lowering the cap on rates.
The people that will be significantly damaged are the property owners.
My husband and I have installed hardwood floors, wood blinds, new appliances, microwave range hoods, dishwashers and other amenities that can only be paid for by the current allowable increases.
My husband is 70 and I am 69. I am currently being treated for Leukemia. I am very scared about how these changes will affect ability to maintain our apartments and handle upcoming repairs.
My husband worked as a teacher for 10 years and when he retired he had only $10,000. in his pension.
That is why we began to buy rental properties and to see a long term investment that we could depend upon.

We do not have the ability to start over in a different investment direction for our retirement. I believe you are able to earn a 7% minimum return on your pension funds. We do not have a pension, we depend on our real estate increasing in value.
We are very nervous about our future.
We have been quoted $3,500 for a currently needed water heater.
All of our buildings are 50 plus years of age.
Galvanized pipes continue to fail and it is extremely expensive to replace these pipes.

My fears are like all of the other property owners that you are hearing from.

The most disturbing thing is that the Housing Department is making a blatant attack on a business that even new immigrants to this country can build a future for themselves.
Many of them have come from countries where the government prevents them from rising above their current state of life and becoming independent.
They have fled communist countries.
Our country has always rewarded those who have worked hard, put in long hours to become more economically secure.

PLEASE DO NOT MAKE SAN JOSE A SOCIALIZED HOUSING COMMUNITY.

Please take a few moments to review the attached articles regarding the impact of rent control decisions in other cities throughout the United States

1) Policy Analysis Reviews the effects of rent control on Homelessness
2) Cambridge Mass: The decision to end rent control and the positive impact it had on the area .

I have guided clients through many years of struggling with market fluctuations.
In challenging economic years. Owners had to offer as much as a month of free rent or other rent concessions and severely drop rental rates to meet market conditions. This is how the market should work. With no rent control owners may not fear raising the rent every consecutive year in the as they are free to raise rents in the future.

Why is a rent registry even suggested? It is an insult to every property owner and an invasion of privacy for all residents.

The report by the Housing Department gave no reason to create such an intrusive and expansive data base if only to increase the size of the department.
Tenants will not feel that their privacy is protected if all their private agreements between themselves and the rental property owners must now become public record.
Property owners do not put even the names of the tenants and their unit numbers on call boxes as it takes away each resident's right to privacy.

Please veto these proposed changes to the ARO

You have heard overwhelmingly that all rental property owners, who understand this business, how scared they are of the unnecessary proposed changes.
Please respect our businesses.

Sincerely,

Gary B. Driedger
Mary J. Driedger

WEDNESDAY, OCTOBER 24, 2012

When Rent Control Ended in Cambridge, Mass.

Every intro class teaches about price ceilings, and I suspect that 99% of them use rent control laws as an example. Of course, the standard lesson from a supply-and-demand diagram is that price ceilings lead to a situation where the quantity demanded exceeds the quantity supplied, and so while the price of rent-controlled apartments is lower, good luck in finding a vacancy!

The slightly more sophisticated insight is what I call in my own intro textbook the problem of "many margins for action." (Of course, if you are teaching an intro econ class, I encourage you to take a look at my *Principles of Economics*textbook, a high quality and lower-cost alternative to the big publishers, available here.) Landlords who face rent control legislation can skimp on maintenance, or hunt for ways to force the renter to bear additional fees or costs. If a large number of landlords act in this way, the feeling of the neighborhood and property values for homes that are not rentals may be affected, too.

Cambridge, Massachusetts, has a rent control law in place from 1970 to 1994. It was ended by a statewide vote that barely squeaked out a 51%-49% majority--and ended despite the fact that Cambridge residents favored the continuation of the law by a 60%-40% majority. The law placed limits on rents for all rental properties in Cambridge built in 1969 or earlier. In "Housing Market Spillovers: Evidence from the End of Rent Control in Cambridge, Massachusetts," David H. Autor, Christopher J. Palmer, and Parag A. Pathak look at what happened. (The paper is published as NBER Working Paper 18125. These working papers are not freely available on-line, but many in academia will have access through institutional memberships. Full disclosure: David Autor is editor of my own*Journal of Economic Perspectives*, and thus my boss.) Autor, Palmer, and Pathak have data on rents and prices in both controlled rental buildings, uncontrolled rental buildings, and owner-occupied housing. They can also make comparisons to neighboring suburbs that did not have rent controls in place. Here are a few of their more striking findings:

-- The rent-controlled buildings in Cambridge, Mass., typically had rents 25%-40% below the level of uncontrolled rental buildings nearby. However, the maintenance of rent-controlled building was often subpar, with a higher incidence of issues like holes in walls or floors, chipped or peeling paint, loose railings, and the like. More broadly, owners of rent-controlled properties had no incentive to do any major fix-ups or renovations, because they would be unable to recoup the costs.

-- Rent control laws are still easy to find, if not exactly widespread, in the United States. For example, "New York City's system of rent regulation affects at least one million apartments, while cities such as San Francisco, Los Angeles, Washington DC, and many towns in California and New Jersey have various forms of rent regulation."

-- Not surprisingly, the end of rent control in 1995 meant that prices of the buildings that had formerly been rent-controlled rose. "Our statistical analysis also indicates that rent controlled properties were valued at a discount of about 50 percent relative to never-controlled properties with comparable characteristics in the same neighborhoods during the rent control era, and that the assessed values of these properties increased by approximately 18 to 25 percent after rent control ended."

-- More surprising, it turns out that the end of rent control raised the value of all the non-controlled properties in Cambridge, too. Properties that were in a neighborhood with a higher percentage of rent-controlled properties increased in value by more than those in neighborhoods with a lower percentage of rent-controlled properties. Indeed, when rent control ended, the gains to owners of uncontrolled properties were greater in total than the gains to the owners of rent-controlled properties. "The economic magnitude of the effect of rent control removal on the value of Cambridge's housing stock is $1.8 billion. We calculate that positive spillovers from decontrol added $1.0 billion to the value of the never-controlled housing stock in Cambridge, equal to 10 percent of its total value and one-sixth of its appreciation between 1994 and 2004. Notably, direct effects on decontrolled properties are smaller than the spillovers. We estimate that rent control removal raised the value of decontrolled properties by $770 million, which is 25 percent less than the spillover effect."

Taking all of this together, it seems to me like the way to think about rent control--at least in the form that it was enacted in Cambridge, Mass.-- is that it creates a situation of low-quality and poorly-maintained housing stock, which then rents for less than uncontrolled properties. If the goal of public policy is to create lower-quality and more affordable housing, there are other ways to accomplish that goal. For example, zoning laws could require that rental complexes include a mixture of regular and

small-sized rental apartments, so that the small-sized (and thus "lower quality") apartments would rent for less. Or those with lower incomes could just receive housing vouchers.

But when rent control is enacted in a way that leads to degradation of a substantial portion of the housing stock, the costs are not just carried by landlords of those rent-controlled apartments. In fact, a majority of the costs may be as a result of spillover effects to real estate that isn't rent-controlled. When a substantial proportion of the houses in a neighborhood are not well-maintained, everyone's housing prices will suffer.

Posted by Timothy Taylor at 6:00 AM

May 21, 1997

Policy Analysis

How Rent Control Drives Out Affordable Housing

by William Tucker

William Tucker is the author of The Excluded Americans: Homelessness and Housing Policies (Regnery) and Zoning, Rent Control, and Affordable Housing (Cato Institute).

Executive Summary

Rent control has been in force in a number of major American cities for many decades. The best-known example is New York, which still retains rent controls from the temporary price controls imposed during World War II. But this policy, meant to assist poorer residents, harms far more citizens than it helps, benefits the better-off, and limits the freedom of all citizens.

A look at the classified ads in rent-controlled cities reveals that very few moderately priced rental units are actually available. Most advertised units are priced well above the actual median rent. Yet in cities without controls, moderately priced units are universally available.

In many cities, policymakers understand that controls drive out residents and businesses. Thus many exempt significant portions of housing from controls, creating shadow markets. Yet as controls hold down rents for some units, costs for all other rental housing skyrockets. And tenants in rent-controlled units fear moving to more desirable neighborhoods since the only units available for rent are very high-priced.

But the trend in recent years has been toward removal of rent control. The repeal of controls in Massachusetts, for example, did not lead to the widespread evictions and hardships that some predicted. The lesson for the rest of the

country is that rent control is policy that never was justified and certainly should be scrapped.

The Rush to Rent Control

Rent control has been in force in a number of major American cities for many decades. The best known example is New York, which still retains rent controls from the temporary wartime price controls imposed during World War II.

During the 1970s it appeared that rent control might be the wave of the future. Boston and several of its surrounding suburbs imposed rent control during the inflationary years of 1969 to 1971. President Richard Nixon imposed wage and price controls in 1971 on the entire country, freezing all rents in the process. Many cities retained rent controls, eventually making them permanent, after wage and price controls expired. Washington, D.C., still retains regulations from this period, as do about 125 municipalities in New Jersey, including Newark, Jersey City, and Elizabeth.

During the Proposition 13 anti-tax campaign in 1978, activist Howard Jarvis promised California tenants that their rents would be reduced if the proposed state constitutional amendment lowered property taxes. Yet in the midst of an inflationary period, this reduction failed to materialize, frustrating many tenants. Berkeley and Santa Monica, two smaller cities with radical political cultures, led California in imposing very strict rent control ordinances. Political activists Tom Hayden and Jane Fonda, who lived in Santa Monica, then toured the state urging other cities to follow suit. Ten cities--including San Francisco, Los Angeles, San Jose, West Hollywood, and East Palo Alto--eventually adopted rent regulation, putting more than half the state's tenant population under rent control ordinances. One major California city, San Diego, bucked the trend, rejecting rent control by a 2-to-1 vote in a 1985 referendum.

By the mid-1980s, more than 200 separate municipalities nationwide, encompassing about 20 percent of the nation's population, were living under rent control. However, this proved to be the high tide of the movement. As inflationary pressures eased, the agitation for rent control subsided.

Some cities have remained strangely immune from the rent control temptation. Chicago, with one of the largest proportions of renters of any American city, has never seriously entertained proposals for rent control. Philadelphia, Baltimore, Cleveland, and other eastern cities outside the Boston-New York-

Washington axis have never experimented with this policy. In the major cities of the South and Southwest--Atlanta, New Orleans, Dallas, Houston, Phoenix--rent control is simply not an issue. During the 1980s, a reaction set in among southern, western, and rural states. Some 31 states as diverse as Idaho, Florida, Texas, and Vermont adopted laws and constitutional amendments forbidding rent control.

Once in place, however, rent control usually proves extremely difficult to undo. London and Paris still have rent controls that started as temporary measures during World War I. "Nelson's Third Law," the contention by the late economist Arthur Nelson that the worse a government regulation is, the harder it is to get rid of it, seems to apply here. Whatever distortions a regulation creates, some people will adjust to it and actually profit. These people then become a tightly focused interest group that fights tenaciously to retain the regulation. When this interest group is a tenant population that forms a near-majority of a municipality, the chances that rent control can be abolished through local political efforts are extremely small.

Recent Rollbacks

Nevertheless, rent control is proving vulnerable. On January 1, 1997, Boston, Cambridge, and Brookline became the first major American cities to abandon rent controls since 1950. The process was not altogether voluntary. The initiative came from a statewide campaign organized by Boston and Cambridge property owners, who put up a state ballot initiative banning rent control. The initiative that passed in 1994 required immediate removal of rent controls. Landlords, however, soon agreed to a two-year extension of controls for hardship cases.

The property owners during the referendum argued that the costs of rent control were being borne by other taxpayers. When landlords start losing money because of low rents, they are usually able to get their property assessments lowered. This leads to a general decline in property values in a rent-controlled city and thus less revenue going to governments. In Massachusetts, property tax receipts are shared at the state level through a complicated formula that takes money from cities with high property tax bases and gives money to cities with low bases. The owners of rental units argued that lower rents in Boston, Cambridge, and Brookline were being subsidized by higher property taxes elsewhere. Massachusetts voters found this argument persuasive and passed an initiative phasing out rent control by a 51-49 margin--even though it lost 2-to-1 in the state's three rent-controlled cities.

The aftermath has been encouraging to those who believe that rent control can be abolished without widespread disruption. Tenant activists had predicted huge rent increases, mass evictions, and a surge in the homeless population if the regulations were abandoned. None of this has occurred. Formerly regulated rents have risen, but construction of new apartments has also begun for the first time in 25 years. Since the overwhelming majority of rental units were deregulated by 1995, and the rest by January 1, 1997, the worst is probably over.

To be sure, there have been individual cases of hardship that tend to attract a great deal of media attention. Almost without exception, these incidents involve tenants who have suffered a loss of income but still have been able to afford their apartments because of rent control. In one case, featured prominently in many newspapers, an elderly diabetic who had been unable to work for 10 years was losing his apartment in the Fenway district of Boston because the landlord was tripling the rent. [1] But tenants frequently are forced to move when they suffer loss of income. Rent control only delays the process and its abolition cannot be held responsible for every instance of tenant displacement. Boston property owners have alleviated the situation considerably by setting up a bank of 200 apartments around the city that are immediately available for such emergencies.

Rent control is now under attack in New York as well. In December 1996, State Senate Republican majority leader Joseph Bruno announced that he intended to end "rent control as we know it" in New York City within the next few years. Bruno, a successful Rensselaer County businessman and free market advocate, says he is philosophically opposed to rent control and believes it is doing enormous harm to New York City.

His vow to overturn the system is no idle boast. Under New York State's arcane legislative proceedings, the majority leader wields enormous power, virtually controlling the entire legislative agenda. Because New York's rent control ordinance is still only "temporary," it must be renewed every two years. Bruno has said that if the Democratic Assembly does not agree to a two-to-four-year phase-out, the Senate will simply fail to renew the statute and rent regulations will expire on June 15. Bruno's effort has set off a firestorm among New York City's regulated tenant population.

Shadow Markets

Although the battle over rent control is routinely portrayed as a contest of "tenants-versus-landlords," in fact the situation is far more complex. Even in

New York, which has some of the strictest rent control in the country, only 1.1 million of the city's 1.7 million apartments--about 63 percent--are regulated. This produces a tenant population of about two million individuals, one of the most formidable political constituencies in the city, with a direct interest in retaining rent control. But since New York City has seven million inhabitants, what are the interests of the other five million? And what are the effects of rent control on those among New York State's eighteen million inhabitants who do not live under rent control, or on individuals in other parts of the country who want to move to New York?

It is useful to analyze this issue in terms of the concept of "shadow markets." This concept was developed by Denton Marks in a paper in the *Journal of Urban Economics* in 1984, [2] and also suggested by George Horwich and David Leo Weimer that same year in the context of oil price controls. [3] Standard supply-and-demand theory predicts that any price controls, including rent controls, will produce an excess of demand over supply--an economic "shortage." There is virtually no disagreement on this premise. In a survey of 75 of the world's outstanding economists, J. R. Kearl and his colleagues found nearly unanimous agreement on the proposition: "A ceiling on rents will reduce the quality and quantity of housing." [4] Of 30 propositions presented for review, only one other received the same level of support. Further, a poll by the American Economic Association of its members in 1992 produced a similar result. [5]

Yet as Marks pointed out in his 1984 paper, rent control, or any other price control, rarely works in a straightforward fashion. It is virtually impossible for a government to control and regulate the entire supply of a commodity. Once a shortage appears, alternative markets and black markets will arise. The government can react in a variety of ways. Often, it will criminalize these markets and prosecute suppliers in draconian fashion. In Iran, merchants who sell above the government prices have their feet burned with hot irons in the public marketplace.

More often than not, however, governments may tolerate these markets as a way of relieving shortages. In many instances, governments will deliberately leave a portion of the market untouched by regulation in order to serve as a safety valve for excess demand. This unregulated portion of a regulated market becomes the "shadow market."

The question posed by Marks and by Horwich and Weimer is "What happens to prices in this shadow market?" Using standard supply-and-demand theory, they predicted that prices in the unregulated portion of the market will be forced

higher than their normal market value. This is because the limited supply in the shadow market must absorb the shortage, the excess of demand over supply, in the regulated part of the market. Because prices are pushed too low in the regulated sector, they are forced above what would otherwise be the market price in the unregulated sector. The result is that average prices in both sectors are likely to end up about as high as their free-market level. They could end up higher because of maldistributions and diseconomies in the regulated sector of the market.

Few Low-Rent Units with Rent Control

The concept of shadow markets offers a reasonable explanation of why the results of rent controls are so perverse and why they lead to a sense of helplessness and panic in a rent-controlled population. Although rent controls are widely believed to lower rents, data I have collected from eighteen North American cities show that the advertised rents of available apartments in rent-regulated cities are dramatically higher than they are in cities without rent control. In cities without rent control, the available units are almost evenly distributed above and below the census median. In rent-controlled cities most available units are priced well above the median. In other words, inhabitants in cities without rent control have a far easier time finding moderately priced rental units than do inhabitants in rent-controlled cities.

This is because tenants in the regulated sector tend to hoard their apartments, forcing everyone else to shop only in the shadow market. Thus, rent control is the cause of the widely perceived "housing crisis" in rent-controlled cities.

Price Controls and Commodity Shortages

Standard supply-and-demand theory shows that when the government fixes prices, a gap opens up between supply and demand. This is usually illustrated by two opposing curves, representing the "marginal propensity to sell" (supply) and the "marginal propensity to buy" (demand). Consumers, of course, are inclined to buy more as prices fall and less as prices rise. Sellers act in an opposite manner, offering more as prices rise and less as prices fall. At one point--and one point only--the interests of buyers and sellers will intersect. This is the "market-clearing price," the point at which, given current economic circumstances, the desires of both groups are optimized. Prices, of course, do not automatically come to rest at some market-clearing level. A continuing discovery process occurs. Either buyers or sellers may achieve a temporary monopoly due to geography or other circumstances. Lack of information may cause either buyers or sellers to accept a price that is unfavorable to them. But,

lacking government interference, the actions of buyers and sellers always push prices toward a market-clearing level.

The effect of price regulation is to keep supply and demand permanently separated. If the government holds prices above market value, usually in an attempt to appease suppliers, the result is an economic surplus. For instance, since the 1920s the federal government has maintained price supports for many agricultural commodities. The result has been chronic farm surpluses. Price controls, designed to benefit consumers, are much more common. The oil price controls from 1971 to 1981 that resulted in a decade-long "energy crisis" provide insights into the rent control issue.

Oil price controls had led to gas lines and rationing at the pump during two brief episodes in 1973 and 1979. But for the most part, there was no visible shortage and supplies continued uninterrupted for most of the decade. What happened to the shortages that should have been produced by price controls? In retrospect, the answer was simple. As Horwich and Weimer noted, the federal government was able to impose price controls only on domestic sources of supply. This created a shortage of domestic oil. But the country continually filled this gap by importing more oil. Imports constituted only 25 percent of the nation's supply when Nixon imposed price controls in 1971. In two short years, this portion climbed to nearly 33 percent. OPEC countries were emboldened to interrupt supplies briefly in 1973 and then quadruple the price.

Unfortunately, Congress responded in 1976 by "punishing" the oil companies, dramatically reducing the price and extending price controls indefinitely. As a result, imports rose to more than 50 percent by 1979, despite an extensive government publicity campaign against purchasing importing oil. Congress even abetted the process surreptitiously by expanding "oil entitlements," a program that supplied small refineries with subsidized imported crude oil, supposedly to help them compete against the major oil refiners.

By 1979, America's excess demand had stretched world supplies so tight that a small interruption of supplies, caused by the outbreak of the Iran-Iraq War, was enough to set off another "gas shortage." When President Ronald Reagan removed domestic price controls in 1981, the resulting surge of supply was enough to send world oil prices into a free fall. The "energy crisis" vanished almost overnight.

Horwich and Weimer show that the shadow market concept explains these events. Prices of only part of the oil supply, that produced domestically, were controlled. To make up for the resulting shortages, consumers had to turn to

foreign-produced oil. Because of the excess demand, world oil prices rose rapidly. Only when domestic supplies were restored did world oil prices tumble. Over a decade, oil price controls accomplished almost nothing in lowering prices to consumers, but they did cause havoc by creating rapid shifts in the world market.

Shortages and Hoarding

One reason the disadvantages of oil price controls soon became apparent was that the hoarding of this commodity was only partially feasible. Hoarding occurs when consumers buy supplies for future use as well as present consumption. When uncertainty about future supplies becomes general, consumers will begin to stockpile. During the 1979 "gas shortage," for example, entertainer John Denver was reported to be building two 100-gallon gas tanks on his Colorado estate. Ordinary motorists reacted the same way by "topping off" their tanks at gas stations. The U.S. government hoarded oil with the Strategic Petroleum Reserve. Although hoarding may benefit individuals or countries, it also puts upward pressure on prices. When people buy for future use as well as present consumption, supplies will be tighter and prices on the shadow market will be driven even higher. Or, in the case of oil, if rationing-by-waiting is already in effect, gas lines will stretch even longer.

But the ability to hoard depends on the logistics and durability of a product. Oil is consumed only once and must be stored in facilities that are not easily or inexpensively obtainable. During a famine, food can be hoarded, but it must be stored under special conditions to avoid spoilage.

Housing is one of the most durable commodities. A well-constructed building can last more than 100 years; many buildings in Europe are centuries old. Housing can be consumed today and still be consumed 10 or 20 years later. And with government holding prices low through rent control, a tenant who holds a rent-controlled apartment has a strong incentive to stay in it his or her entire life, even passing it on to descendants. Hoarding of housing is not only possible, it can become the natural order of things.

Of course if the laws allow a landlord to charge a higher rent to a new tenant, the landlord may want to evict a low-paying tenant. But this only leads to strong antieviction laws, a staple in all rent-controlled communities that soon makes it difficult or impossible to get rid of even the most destructive or delinquent tenants.

As a commodity, then, rental housing makes an ideal target for conveying certain benefits to a portion of the population. Because of durability of housing, rent control can go on bestowing benefits to the same minority--or even a majority of a municipality--for a very long period of time. It is the individuals who are forced into the shadow market--usually newcomers or people who want to change apartments--who suffer the consequences.

Rent Control and Vacancy Rates

There can be no doubt that rent control creates housing shortages. For almost 20 years, national vacancy rates have been at or above 7 percent--a figure generally considered normal. Cities such as Dallas, Houston, and Phoenix, where development is welcomed, have often had vacancy rates above 15 percent. In these areas of the country, there usually is a surplus of housing rather than a shortage. Landlords commonly advertise "move-in specials," where rent is reduced for the first month or even where they pay moving expenses.

In rent-controlled cities, on the other hand, vacancy rates have been uniformly below normal. New York City has not had a vacancy rate above 5 percent since World War II. (The state's rent control law, supposedly temporary, would automatically expire if it did.) Before giving up rent control, Boston's vacancy rate was below 4 percent. (There are no figures as of yet on the rate since rent control ended.) In rent-controlled San Francisco, the vacancy rate is generally around 2 percent, and in San Jose the rate is 1 percent, the nation's lowest. Meanwhile, comparable nonrent-controlled cities, such as Chicago, Philadelphia, San Diego, and Seattle have normal vacancy rates at or above 7 percent.

Rent-controlled cities absorb these shortages in a variety of ways. Higher rates of homelessness are a manifestation of rent control. [6] Another is the traditional difficulty individuals have in finding a new apartment in these cities. An article in *New York* magazine entitled, "Finding an Apartment (Seriously)," recommended such techniques as "joining a church or synagogue" as a useful technique in meeting people who might provide good leads on an apartment. [7] Young people who migrate to New York or San Francisco usually must settle for paying $600 a month to share a two-bedroom apartment with several other people or commuting from a nearby city. Crowding is a manifestation of rent control.

Excluding Outsiders

The exclusion of newcomers may even emerge as the main purpose of rent control, particularly in small, selfidentified cities. Many of the small New Jersey municipalities with rent control are close-knit ethnic communities that do not particularly welcome newcomers. One of their major fears is apartment complexes that will bring in large numbers of outsiders and "change the character of the community." Rent control has proved an effective tool for making sure that small, exclusionary-minded communities do not have to undergo change.

Santa Monica is a beach community near Los Angeles that was discovered by urban professionals after the construction of the Santa Monica Freeway in 1972. These newcomers, many originally from New York, immediately set about trying to limit new construction, pulling up the ladder to keep out those that would follow them. In particular, they opposed a series of high-rise apartments proposed for the beachfront. The newcomers soon discovered that imposing rent control not only guaranteed themselves cheap apartments but hampered further development as well.

The result has been a virtually closed community. It is almost impossible for newcomers to find apartments in Santa Monica. As Mark Kann, a Los Angeles newspaper columnist, reported in *Middle Class Radicalism in Santa Monica*, a book that celebrated rent control, "I knew one professional woman who tried to get a Santa Monica apartment for more than a year without success, but she broke into the city, finally, by marrying someone who already had an apartment there." [8] The city is also famous for its homeless population and is often called "The Homeless Capital of the West."

Generational Subsidies

Berkeley, California, and Cambridge, Massachusetts, have similar housing markets. Small college communities, they originally adopted rent control with the help of large student-voter populations that felt a town-gown rivalry with their landlords. But like many socialist programs, rent control turned out to be a one-generation wonder. Students who were in place when rent control was adopted often remained in their apartments all through their professional lives. Ken Reeves, the mayor of Cambridge until 1994, who used to advertise his rent-controlled status on his campaign literature, was still living in the apartment he rented as a Harvard law student in 1973. He finally bought a home when rent control was abolished.

In Berkeley, Floyd and Eva Floystrup are a carpenter and his wife, and also landlords, who were once forced to pay $70,000 to their tenants in "back rent"

because they had refused to register with the rent control board. "We believe in free enterprise," they explained. They noted that their low-paying tenants are all high-salaried professionals who arrived as students in the 1970s. "I always have Berkeley students come up to me on the street and say, `How come I can't find a place to live in this city?'" said Eva Floystrup. "I tell them, `Look, we're still taking care of the Class of 1979. As soon as they leave, we'll have room for you.'" [9]

Studies in both cities showed that rent-controlled apartments have tended to fall into the hands of middle class professionals. A 1994 study of Cambridge by housing consultant Rolfe Goetze showed that rent-controlled apartments were concentrated among highly educated professionals, while the poor, the elderly, and students were generally excluded. [10] Michael St. John, a Berkeley sociologist, found similar results in California. "Rent control has actually accelerated gentrification in Berkeley and Santa Monica," said St. John. "Poor and working class people have been forced out of those communities faster than in surrounding municipalities." [11]

In small cities such as Cambridge, Berkeley, and Santa Monica, the housing shortages created by rent control can be pushed onto neighboring communities. Most Berkeley students now search for housing in Oakland and Richmond, significantly increasing their commuting time.

Shadow-Market Housing

In large metropolises a housing shortage can severely damage the city's economy. Experience shows that when such cities adopt rent control, they usually try to avoid outright housing shortages by leaving segments of the market unregulated. Unsatisfied demand is diverted into this unregulated sector. Because of the shadow-market effect, people in this sector pay higher-than-market prices. Still, they are rarely conscious of the causation. Instead, they simply regard the city as "an expensive place to live" and often become a constituency for extending rent control to their own apartments.

It should be recognized that not all cities enforce rent control with the same enthusiasm. Both the city and county of Los Angeles adopted rent control in 1979, but the county dropped it shortly thereafter. The city government exempted new construction and allowed sizable rent increases. It also adopted a form of vacancy decontrol that allows rents to rise to market value each time a new tenant moves in. A 1990 study by the Rand Corporation found rent control saving tenants only $8 a month. Since then the city has depopulated and vacancies rose close to 10 percent. "We can't even get the rent the rent board

allows us," said Dan Fellar, director of the Apartment Owners Association of Southern California. As a result, there is little shadow-market effect. Washington, D.C., is also depopulating and its rent control ordinance has little impact. Toronto has regulated all rental housing down to single-family homes since 1979, but allows generous 8 percent annual rent increases. The regulation seems to have only small impact.

New York and San Francisco, on the other hand, enforce two of the strictest sets of rent control ordinances in North America. (In many European countries, regulation has destroyed private rentals to the point that there is little left but public housing.) Both cities allow only small rent increases and neither has vacancy decontrol, although San Francisco will soon be adopting it according to a state law. Neither city is depopulating and both experience a high demand for housing. As a result, both have developed strong shadow markets.

New York City split its housing market at the outset in 1947 by exempting all future construction. Toronto exempted all new construction when controls were adopted in 1979. San Francisco did the same. Thus, while Santa Monica and New Jersey communities used rent control intentionally to prevent new housing construction, these other cities worried that no new housing would ever be built.

Unfortunately, the strategy of exempting new units often backfires. Sooner or later, tenants in the new buildings will realize their position relative to rent-controlled neighbors and seek controls on the rents of their own dwellings. This happened in New York in 1969, when Mayor John Lindsay was forced to adopt "rent stabilization" to cope with the excessive rent in "post-war" housing, that is, housing built after 1947 that was originally exempt from regulation. Lindsay promised that all post-1969 housing would remain outside rent stabilization. But inflationary pressures forced the New York State Legislature to break this pledge within five years with the Emergency Tenant Protection Act of 1974. Since then, builders have learned that, sooner or later, any new housing in New York risks being "recaptured," the term used by city officials, that is, brought under regulations. Consequently, little new rental housing is ever built.

Toronto also repealed a new-construction exemption in 1989 and now "recaptures" all new housing after five years. Thus little is built. And San Francisco continues to exempt new housing, but does so much to discourage construction through zoning and no-growth ordinances that, with a 1 percent vacancy rate, the city still adds only 500 residential units a year.

New housing thus makes up a stable--if somewhat uncertain--segment of the shadow market. Another common sector is smaller buildings, particularly those that are owner-occupied. Cambridge exempted two- and three-unit owner-occupied buildings. San Jose exempts duplexes and single-family homes, but regulates the 10,000 mobile homes in its jurisdiction. Berkeley does not regulate duplex apartments when the owner occupies one unit. San Francisco originally exempted buildings with four units or fewer, but this was overturned in a popular referendum in 1994. Now the city even regulates rented single-family homes. New York's rent stabilization does not apply to buildings with fewer than six units, although the old rent control regulations from 1947 can still govern smaller units.

Finally, rented condominiums and cooperative apartments are commonly exempted--although this is an extremely controversial policy in most rent-controlled cities. The problem is that once apartment houses fall under rent control, many owners will attempt to escape the regulation by selling off the apartments to individual owners. This frustrates rent control officials because it diminishes the supply of rental housing. In New York, condominiums and cooperatives are treated as single units and thus exempted under the smallowner rule. In Washington, however, an apartment building under cooperative or condominium ownership is regulated as multi-family housing, even though it has multiple owners.

Most cities with rent control usually end up adopting strong laws to discourage conversion to condominium and cooperative ownership, in order to close an escape hatch from the regulated market. In 1989, Cambridge adopted a law actually making it illegal for owners of converted condominiums to live in their own apartments. Instead, owners were to be forced to rent out their apartments as rent-controlled units, in order not to "diminish the supply of rental housing." Active enforcement of this law that would evict individuals from their own property was begun in earnest in 1992. The prosecution of these "condo criminals" swelled the ranks of rent-control opponents and played a large role in passage of the statewide referendum that in 1994 ended this regulation.

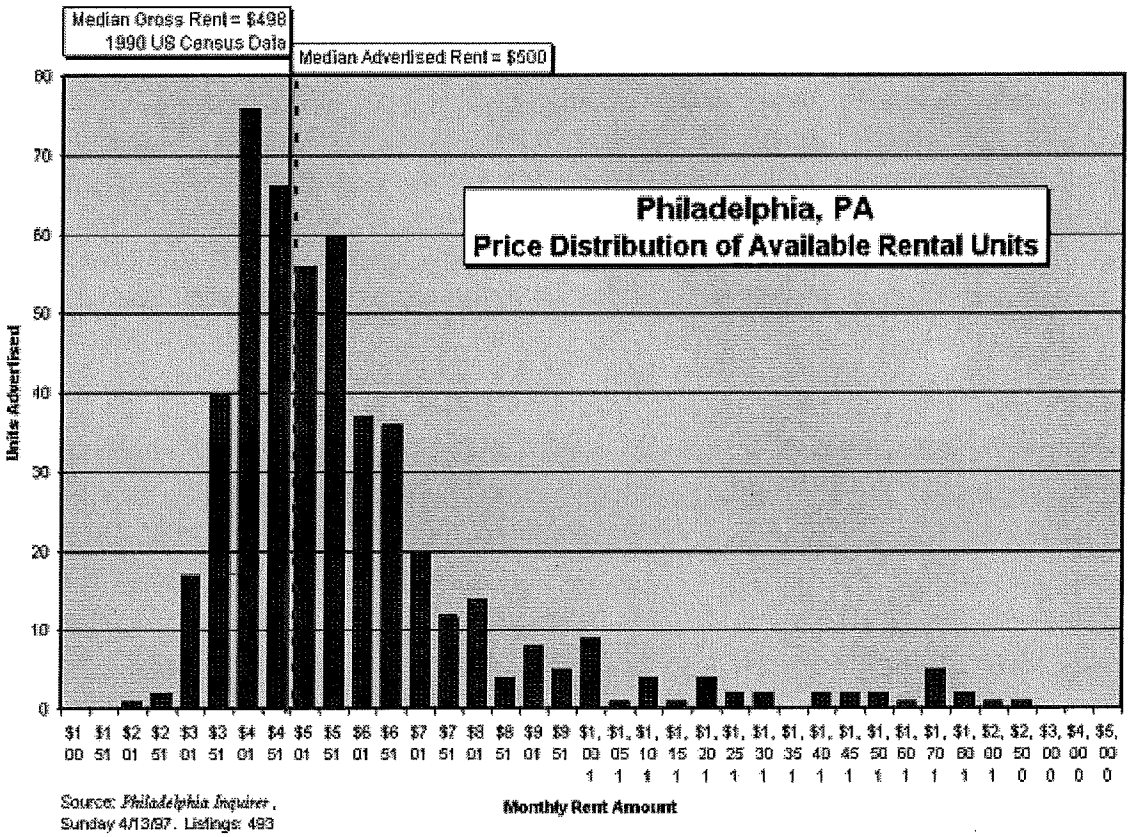
In major cities, then, these three exempted sectors-- new construction, smaller buildings, rented condominiums-- generally form the shadow market. Even in the strictest rent controlled environment, this shadow market may grow to considerable size. In New York, the unregulated sector now makes up 36 percent of the 1.7-million-unit rental market. In San Francisco and San Jose it makes up about half. Only in Berkeley and Santa Monica does the shadow market make up less than 20 percent of all rental housing.

Shortages under Rent Control: The New Evidence

What happens to price and availability of unregulated housing in a rent-controlled market? To determine this, this author collected data on all the available apartments advertised in eighteen major cities around North America. The advertised prices were taken from a single Sunday edition of the largest paper in each city during the month of April 1997. The advertised price of every listed apartment was recorded. (Three newspapers were used for New York.) Rented houses were also included. Some older urban areas--Chicago, Cleveland, New York, Philadelphia--have very few rental houses, while in Sunbelt cities such as Dallas, Houston, Phoenix, and San Diego, they make up a large portion of the rental market. To make sure this regional phenomenon was not distorting the figures, rental houses were omitted in two cities, Atlanta and Phoenix. Six of the surveyed cities have rent control--Los Angeles, New York, San Francisco, San Jose, Toronto, and Washington. In addition, Boston ended rent control in January 1997. The median rent shown on each graph is based on the 1990 U.S. Census. [12] (See Appendix for all graphs.)

The most striking observation is that the graphs of rents in free-market cities follow a standard bell curve. The vast majority of advertised rents cluster around the median, with between 33 percent and 40 percent below the census median. The median advertised rent is rarely more than $50 above the census median. This may be because the very cheapest apartments are not likely to be advertised in the newspaper and because landlords often raise rents when apartments become vacant. The mode - the number where the graph peaks - usually occurs below both medians. Characteristically, there is a steep climb on the low-rent side of the curve, followed by a long tail toward the "luxury" end of the market.

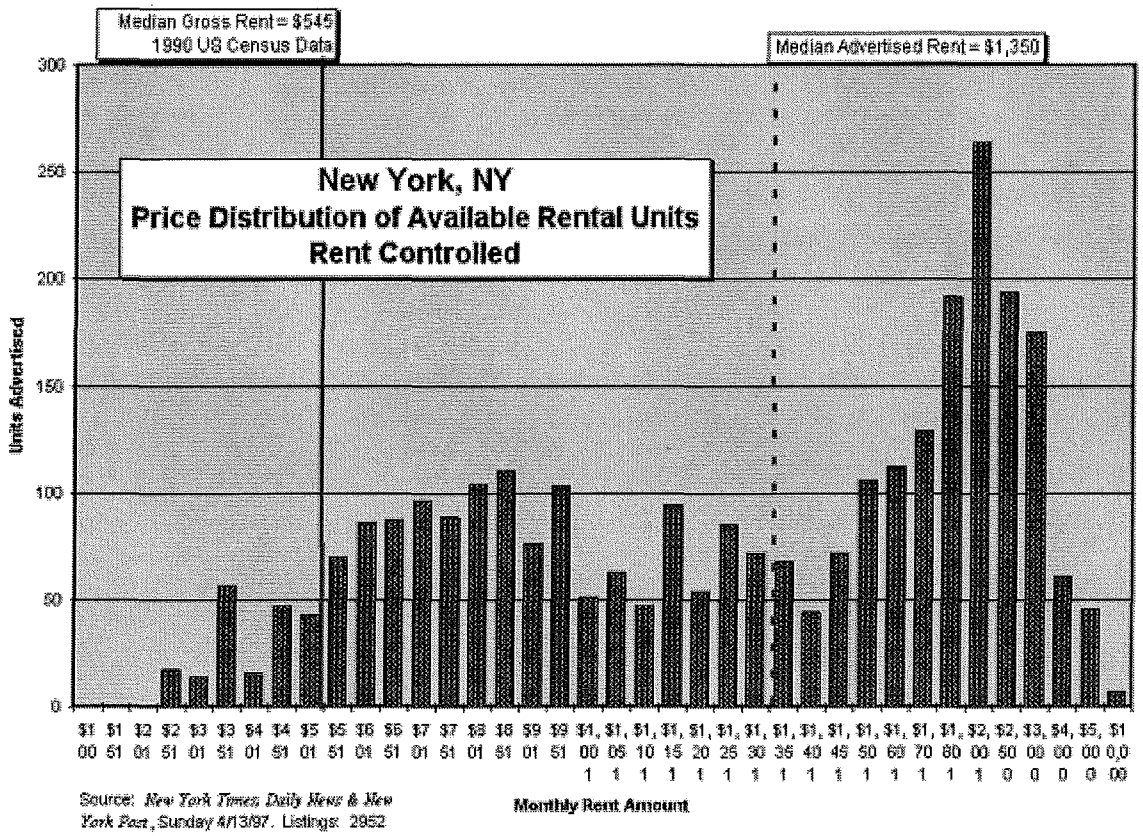
Figure 1



It is also striking how affordable housing is in most free-market cities. In Philadelphia, the nation's fifth largest city, the most common advertised rent, the mode, is between $450 and $500--below both the advertised and census medians. (See Figure 1.) In Chicago, the mode was $500 to $550, also below both medians. Unregulated cities such as Philadelphia, Chicago, San Diego, Phoenix, and Seattle seem to have almost perfectly competitive housing markets, with housing available at every price level but clustered at the low end.

The two cities with strict rent control are glaring exceptions to this pattern. In both New York (see Figure 2.) and San Francisco, advertised rents peaked at $2,000--more than triple the U.S. Census median rent for each city. The median advertised rent in New York was $1,350, in San Francisco, $1,400--both more than double the census median. More important, there were almost no rental units available at the low end of the market. In both San Francisco and New York, less than 10 percent of advertised rents were below the census median. (The New York figures also included listings from the *Daily News* and the *New York Post*, which are slanted toward the lower end of the market.) Rent control in both these cities appears to make housing spectacularly unaffordable.

Figure 2



San Jose and Boston both show strong symptoms of the rent control disease. San Jose rents peak at $1,500, with rents pushed more toward the expensive end. Boston shows the usual "median hump," but displays overtones of the rent-control effect at the upper end. Los Angeles, Washington, and Toronto--all of which practice milder forms of rent control than New York and San Francisco--show little or no signs of the rent control effect.

What is going on in these markets? The explanation seems fairly straightforward. Rent control splits the housing market into two sectors, the regulated segment and the shadow market. As prices in the regulated sector are forced lower, prices in the shadow market go higher. At a certain point, the differential between the two markets becomes so stark that tenants in the regulated sector begin hoarding their apartments. They hardly ever move. In New York, 88 percent of tenants living in pre-war, rent-controlled apartments have not moved in more than 25 years.

If they do abandon their apartments, regulated tenants pass them on to friends or relatives, or sell them to strangers through "key money" that reflects their true market value. As a consequence, regulated apartments are essentially withdrawn from the market. In New York, where regulated apartments make up 63 percent of the market, only 85 or 3 percent of the 2,800 listings in the *New York Times*, *Daily News*, and *New York Post*, were identified or identifiable as rent regulated. [13]

With the regulated portion market locked away, all new demand is funneled into the unregulated sector--the shadow market. Eventually the competition for these limited number of apartments creates highly inflated prices. It is like squeezing a balloon at one end--the pressure will simply create a bulge at the other end.

Burdens on Newcomers

One thing that makes rent control more palatable to the majority is that the brunt of these excessive costs is usually borne by newcomers. People moving to New York or San Francisco assume that housing is very expensive. They may get discouraged and leave. New York has lost 200 of its 250 national corporate headquarters over the last 25 years, in part because these companies found housing almost unattainable for transferring employees. If these individuals do stay, it may be several more years before they realize that others living in almost identical apartments are paying only a fraction of their rent. In 1985, for example, a woman wrote this letter to the New York *Daily News*:

I recently moved to New York and I pay almost $1,200 a month for a nice little apartment on the lower East Side. The landlords have been reasonable and the building is clean. Still, when I found out at a tenants' meeting that 30 of the building's 34 apartments rent for below $300 and that most of the tenants in those cheap apartments make more money that I do, I was a bit outraged. I understand protecting the old people, but protecting fellow yuppies with bargains?

In Texas, $400 will rent a two-bedroom apartment with air conditioning, washer/dryer, swimming pool, fireplace, and garage. The vacancy rate is over 10 percent. There are no rent controls and the tenants hold all the cards. And landlords are not a hated breed. [14]

Such voices are usually drowned out in the rent control debate. But they are beginning to be heard. As the current debate heads for its June 15 deadline, the following letter appeared in the *New York Times*:

Where are the voices of all those who do not share the benefits of rent control but who actually suffer from it? For the past seven years my husband and I have been killing ourselves to pay our exorbitant market rent for a small one-bedroom apartment in order to stay in this city. I know too many people who live in rent-controlled apartments who also own country homes. One person (whose apartment we tried to rent at the legal rate) moved to Florida and now rents out his apartment, illegally, at the market price, subsidizing his new life style. If rent decontrol would mean a fairer, less insane market, then it is a just cause. If the housing situation does not improve, it will be the new generation of middle-class New Yorkers who will be forced to leave the city we love. [15]

Can Rent Control Be Abolished?

Rent control makes housing less affordable to anyone seeking housing in a rent-controlled market. Even people who already have a "great deal" under rent control become prisoners of their own apartment. They can never move because it means being thrown into the shadow market, where prices may be three or four times as high for an almost identical apartment. In Europe, where rent control governs even larger sectors of the market, the result has been the continent's famed "labor immobility," where moving a factory across town may mean losing half the work force. This huge differential between the regulated market and the shadow market strikes terror into the hearts of a rent-controlled population and fuels the fires against deregulation. But this fear is based on the illusion that shadow-market prices are actual market prices. Even landlords make the same mistake. They often assume that an end to regulation will enable them to double and triple rents, whereas the overall effect would be far more modest.

The goal in getting rid of rent control should be to allow the curve of housing prices to return to the elegant symmetry of the free market. It is important to deregulate as much of the market as possible at once. That will move the entire curve toward the lower end of the market. If deregulation occurs in small increments, on the other hand, each individual tenant will be forced to make the jump from the low end to the high end, until their accumulated weight moves the curve back. It would be like moving a mountain one grain of sand at a time.

One poor way to deregulate is "vacancy decontrol." This solution, now in effect in California and being proposed as a compromise in New York, simply extends the adjustment period while delaying the benefits of deregulation. Under vacancy decontrol, apartments are deregulated only when the current tenant leaves or dies. But of course tenants in regulated apartments never move,

since leaving an apartment means being thrown into the shadow market. It may take 20 to 50 years before the market resumes its normal shape.

Worse yet, under vacancy decontrol individual landlords have every incentive to evict their regulated tenants since vacancy means deregulation of the apartment. The result will be a daily series of horror stories, with landlords doing everything from hiring thugs to setting fire to their buildings to get rid of low-rent tenants. Meanwhile, because of general uncertainty, builders and renovators will not invest much in new housing. As a result, there is always pressure to repeal vacancy decontrol. New York tried such decontrol in 1972 but repealed it after only two years.

Instead, rent control is best abolished quickly and cleanly, with ample effort to protect the most vulnerable tenants. Massachusetts did it about right. After winning the 1994 referendum, property owners were faced with a series of court challenges that could have delayed implementation indefinitely. At the same time, Governor William Weld had vowed to veto any state legislation to revive rent control in Boston, Cambridge, and Brookline. The result was a compromise. Rent control was lifted immediately in the three cities, but a two-year extension was allowed for tenants qualifying for the federal definition of "lowincome"--less than 60 percent of the median for the region or 80 percent for the elderly and handicapped. In the end, 4 percent of the tenants in Boston and 10 percent in Cambridge and Brookline qualified for this extension. These groups were finally deregulated on January 1997.

Such a program could work in New York and San Francisco, perhaps with a slightly longer time scale. A three-to-five-year phase-out would seem reasonable. The effort could be helped enormously if builders and developers would pledge publicly to step up housing construction during the interim. Unfortunately, landlords and developers in both cities have become such pariahs that they rarely speak openly or work in concert. Boston landlords helped their cause enormously by setting up the reserve bank of 200 apartments for emergency relocations. Yet owners' groups in New York and San Francisco have done nothing comparable. Such an effort would go a long way toward allaying fears about deregulation.

The Morality of the Market

Human morality is based on the premise that virtuous behavior should be rewarded while harmful behavior ought to be punished. Where the rewards of the marketplace are concerned, it can truly be said that cities and nations get what they deserve.

Price controls are built around the concept that one particular group, the providers of some essential good or service, is a nefarious clique that must be wrestled into submission by the government. Oil company executives were the villains of the "energy crisis," and Congress portrayed itself as a gallant knight riding to the rescue of a distressed public. In fact, all that was at stake was the public's ability to tolerate the price increases associated with shifts in energy resources.

Rent control works the same way. Providing housing is perceived by some as an illegitimate enterprise. "Greedy landlords" become public enemies in rent-controlled cities and the entire political apparatus is geared up to subdue them. (The political party that has governed Santa Monica for the last 20 years is called "Santa Monica Renters' Rights.") The hate campaign against landlords feeds on itself, becoming a self-fulfilling prophecy, since owners in the shadow market can charge exorbitant prices, while owners in the regulated sector do best by making life uncomfortable for their low-rent tenants. Yet all that is really at stake is public willingness to accept the idea that some people make their living by providing housing.

Rent control is a disease of the mind that soon becomes a disease of the market. Those cities that resist infection --merely by having a healthy tolerance for the rights of others--are rewarded with a normal competitive housing market in which housing is available at every price level. Those cities that succumb to the disease of rent control are doomed to never-ending, house-to-house warfare over an everdiminishing supply of unaffordable housing. Public policy creates its own rewards.

Appendix:
Price Distribution of Available Rental Units for Various Cities

Atlanta, GA	**Boston, MA**	**Chicago, IL**	**Cleveland, OH**	**Dallas, TX**	**Denver, CO**
Houston, TX	**Los Angeles, CA**	**Miami, FL**	**New York, NY**	**Philadelpha, PA**	**San Diego, CA**
San Jose, CA	**Phoenix, AZ**	**San Francisco, CA**	**Seattle, WA**	**Toronto, Ontario**	**Washington, DC**
All Graphs (not recommended for slower connections)					

From: JimClaus@calwestern.com [redacted]>
Sent: Saturday, April 9, 2016 6:27 PM
To: City Clerk
Subject: Price Controls on Rental Units

I am so disappointed and upset by what I see happening in San Jose in response to the economic boom we have experienced. Price controls on rental units will not fix our housing problem, nor will "just cause" fix anything. Just a few comments:

* The staff at housing is stunningly out of touch with reality. First, attend a few mediations and see how biased the process is for the tenants. Then check the rent board stats. They aren't that busy, even now, with all the uproar. 44,000 units and how many complaints and cases? Why not focus them on the few problem owners, from the cases they are seeing, rather than one-third of the housing stock.

* The price control solution focuses on one smaller select group of people to subsidize a societal problem. This group didn't create the problem, and price controls alienates this group, the very group from whom you most need support.

* The demand for price controls and just cause always comes at the market peak and this time is no different. Asking rents on "mom and pop" units, the ones that represent the bulk of the 44,000 units and that have the lower income tenants, haven't seen asking rents rise for eight months; layoffs and down-sizing is becoming common; tech companies are having trouble going public and raising money; etc). The rent decline will begin soon, just like every time before.

* Tech companies creating high paying jobs and bringing thousands of new people to the area has allowed prices to be "bid up" on all housing. Do we now consider price controls on house prices since they are "unaffordable"? And what are you doing to get subsidies from those who are causing this problem.

* As the economy turns and rents decline, owners will not be at City Council meetings demanding subsidies to maintain their properties. They will come out of pocket to take care of things, like they always do, using the money they saved from the good times - that's a risk of ownership that is not present in renting.

* Take the CPI cap issue: Can I count on you to restrict all vendors, utilities, government agencies, etc to limit their bill increases to CPI as well. No tenant group seems the least bit concerned about property expense increases, many of which are greater than CPI - not their problem - that's why they rent. And if it's a problem, they will demand an ordinance requiring higher maintenance levels. More regulation solves everything. (Just think for a minute, in San Jose property revenue will be limited at CPI (or some arbitrary number), but expenses will have no limit - if you were a businessperson, how would you evaluate that business.)

* I hear clearly the message you are sending. The risk in owning and supporting rental housing in San Jose is going up significantly. As a small business person, while it's not economically viable to sell the existing housing that I own, it is clear that I am well advised to look for apartment investments in other cities that don't have the threat or the existence of price controls.

There is so much more and I could go on and on, but you either understand or you don't. I am optimistic that you will be thoughtful and vote wisely.

Jim Claus

From: EP <[redacted]>
Sent: Saturday, April 9, 2016 8:57 PM
To: City Clerk
Subject: proposed ARO

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Eloy Pando
[redacted]

From: ezequiel pando [redacted]>
Sent: Sunday, April 10, 2016 9:00 AM
To: City Clerk
Subject: Comments on the proposed Apartment Rent Ordinance

Dear Mayor and Council members,

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that therecommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. Theelimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account thehuge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severelyunderstaffed.

Furthermore, if the proposed recommendations are approved, market values on all the affected properties under the ARO program will drop as a result of these properties becoming less desirable for investors to invest in.

I own a 4plex in San Jose that I purchased in 2003 and just the property taxes alone came to $11,089.82 this time. In addition, I carry a loan of $550K that I have not been able to refinance to today's low interest rates due my damaged credit caused by the housing downturn we just came out of. I struggled to not lose this 4plex to foreclosure during this past crisis although I did lose other rental properties to foreclosure and thus my damaged credit. Approving these new regulations will force me out of being a housing provider and would be the final nail to my real estate coffin.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do noharm and reject these onerous proposals.

Sincerely,

Ezequiel Pando

From: EP [redacted]>
Sent: Sunday, April 10, 2016 8:12 PM
To: The Office of Mayor Sam Liccardo
Cc: Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; Fedor, Denelle; City Clerk
Subject: Re: ARI and CPI-U proposal for small landlords

Date: April 9, 2016
Re: ARO Proposal
Dear Mayor and Council members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

I have also written letters to all of you, which you should receive this week. Thank you for your time and consideration,

Eloy Pando,

On Thu, 3/17/16, EP <[redacted]> wrote:

Subject: ARI and CPI-U proposal for small landlords
To: mayoremail@sanjoseca.gov
Cc: chappie.jones@sanjoseca.gov, ash.kalra@sanjoseca.gov, raul.peralez@sanjoseca.gov,

manh.nguyen@sanjoseca.gov, agdalena.carrasco@sanjoseca.gov, pierluigi.oliverio@sanjoseca.gov, tam.nguyen@sanjoseca.gov, Rose.herrera@sanjoseca.gov, donald.rocha@sanjoseca.gov, denelle.fedor@sanjoseca.gov, cityclerk@sanjoseca.gov
Date: Thursday, March 17, 2016, 3:39 PM

Dear Honorable Mayor/ Council Members,

As a resident/investor/voter who cares about our City, San Jose, I urge you to say "NO" to annual allowable rent increase on CPI-U; which is unreasonably low now at 2% to 3%.

Otherwise, small landlords will be forced out of business & will face foreclosure very soon.

The housing staff does not recommend fix percentage because it does not reflect the operating cost or market condition. Likewise, the CPI-U does not represent the operating cost or market condition.

Nowadays all workers e.g. contractors, roofers, plumbers are very expensive e.g. 7 or 8 years ago it only cost $60 for a plumber to unclog a drainage, nowadays it cost over $100; average 8% increase annually.

While the City cannot control the cost of labor, utilities, permit fee etc. and tie these operating expenses to CPI, also there are lots of not normal operating maintenance expenses, such as roof, plumbing, asbestos removal, etc., and Capital Improvements/Debt Service, and older building need major investments, it is grossly unfair to tie the hands of small mom and pop owners to CPI.

While the big investors can afford to tear down housing units to build newer and bigger buildings not subject to ARO, small property owners cannot!

The housing staff said "Owners, especially of small apartment buildings, consistently indicate that – as a matter of their existing business practice – they do not

increase rents on an annual basis or that any rent increases are small." There is no logical relationship between small landlords' actual low annual rent increase vs. small "allowable" rent increase.

Higher allowable rent increase is necessary for the following reasons:
8% would be an insurance cushion for small landlords to deal with special but expected circumstances such as bad tenants' costly damage of properties, over-throwing garbage clean up cost and City penalties for tenant's misbehavior etc.

Without this insurance, small landlords would easily suffer negative cash flow.
During economic downturns, Landlords cannot increase rent and may even lower the rent, with no subsidize from the City. 8% allowance will help remedy the loss Landlords suffer from downturn years with no or negative rent increase.

Savings for rainy days are regular business practice.
In bad years, landlords' kindness in not raising rent on tenants or dropping the rents should not be used to punish Landlords. The CPI would punish landlords without any protection.

As mentioned in the staff report, MNOI is proposed to ensure "fairness" to makeup for years with too low CPI.

However, MNOI is too complicated for small landlords and there is no guarantee that the calculation would be approved by the City.

Small landlords would be required to track each year's CPI when the market is down. The time consuming tracking, banking, fees, etc. is way beyond the capability of small mom and pop owners, who could not afford professional assistance. MNOI does not ensure fairness.

The City estimated that due to the complications of the

program, it would require a high budget of 30 FTE. The salaries with employment & retirement benefits total $4.5 million, an astronomical figure !

Instead, it is more cost effective to use the program implementation fee to provide financial assistance to low income families.

It is imprudent to put severe burden to small owners on a program that apparently cannot benefit any families in real need.

To quote a leading republican candidate for president; this is a very dumb and stupid Law.
Please do not confirm this leading candidate's assertion that we are being led by very, very stupid people and we are making very dumb and stupid deals!
This is an outrageous proposal that fixes nothing and creates a huge city hall bureaucracy, hurts small landlords and helps no one!

Best regards,

Eloy Pando

From: EP [redacted]
Sent: Sunday, April 10, 2016 8:25 PM
To: City Clerk
Subject: ARO proposal

Date: April 9, 2016
Re: ARO Proposal
Dear Mayor and Council members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Thank you,
Eloy Pando,

From: George Denise [redacted]>
Sent: Monday, April 11, 2016 3:36 AM
To: City Clerk
Subject: Proposed Changes to the Apartment Rent Ordinance

Dear Mayor and Councilmembers:

My wife and I are owners of rental housing in downtown San Jose. We have worked hard for many years in order to be able to own property here, my wife as a school teacher and I as a facilities manager, saving our money and investing in a small apartment building.

Prior to investing in San Jose, we owned a small building in San Francisco. The building consisted of three flats. It was in very poor condition when I purchased it. One unit was uninhabitable. In order to purchase it, I lived very frugally and saved my money for several years while working first as a clerk and then as a middle manager for a non-profit in downtown San Francisco. Working for a non-profit, I didn't earn a lot of money, but I still managed to save almost one-third of my earnings by very frugally. I had wanted to purchase a home, but did not make enough money to qualify for the loan. By purchasing income property, I was able to include the potential rent as part of my income and qualify. I lived in the building, one unit at a time, renovating the unit I was living in, then renting it out when finished, and moving on to the next one. I share this because I think people sometimes think landlords don't work hard, produce anything or add real value.

After several years, I had improved the property enough that I was able to sell it and purchase a larger one, and I began doing the same thing all over again. I worked my regular job during the days, and I worked on my buildings evenings and weekends. Every spare dollar went into the improvements. Because I did not have a very high income, even with rental income, my mortgages were all short-term loans.

In 1979, the City of San Francisco passed rent control, at that time, setting annual increases for existing tenants at 8%. I didn't see a problem with rent control, as I only increased rent for my existing tenants about 5% to 8% each year, only bringing rents up to current market on turnover. What I didn't realize is there is much less demand for rental property under rent control. When rent control was passed, income property in San Francisco dropped in value by almost one-third. At this same time, interest rates were skyrocketing; mortgage interest went up to 18%. I could not qualify for a new loan at that interest rate, my short-term note was due, and there was almost no market for income property in San Francisco at that time due to rent control. The year before in the same quarter, there had been over 400 sales of building in my size range in San Francisco. The year I was forced to sell, there were six in that same quarter. I was able to find a buyer to keep from defaulting, but only by discounting the price so much that I lost virtually all of the equity I had built up over the years. Essentially, all of the work and risk I had taken and lived with over the years was gone. Rent control was a significant factor; so was high interest rates. These were the risks I had taken when I undertook this course. I share this because some people don't realize the risks involved in owning rental property. There are other risks, too; mistakes in tenant selection, hidden defects, building systems failures, and natural disasters, to name a few.)

By this time, I had a wife and children. I earned more, but I also had greater obligations and responsibilities. This time, it took me almost ten years to save enough to put down on a small rental property near downtown San Jose. Again, it was a very old building, very rundown, almost a slum in a rundown neighborhood. In the beginning, there was lots of graffiti and quite a few break-ins. We improved our own property and I believe helped spur our neighbors to improve their properties. Over the years we renovated every apartment, painted the exterior several times, re-landscaped it and re-roofed it. During that time, we have continued our original plan; we raise rents approximately the amount of CPI each year, only bringing the rents up to market on turnover. On three occasions,

during downturns in the economy, we have had to lower our rents, regardless of that fact that our costs did not go down, because that is all the market would allow.

Why do I do this? I do it because I love real estate. I love purchasing older buildings and fixing them up, improving them, restoring them, greening them. We have improved the buildings we own significantly. And I believe we have made a positive contribution to the neighborhoods in which we have owned, and to the city oveall. In fact, I know we have. I have watched it happen. I have had other owners and city officials tell me we are making a difference and inspiring others, too.

Nationally, 63% of the population own their own home, only 37% rent. In San Jose, just 22% of the population rent. For most people who rent, renting is temporary: while they are in school, or when they first go out on their own, or when they first relocate to a new area. According to a study by the National Multifamily Housing Council, 34% of renters moved within the previous 12 months. Only 15% of renters stay in the same location four years or longer. However, where rent control is in place, renters become trapped by artificially low rents. They become accustomed to the low rents and to being able to spend the savings on other things and the economic hurdle that needs to be overcome in order to move out and up becomes increasingly difficult.

Richard Alston, J.R. Kearl and Michael Vaughan, in their study, "Is There a Consensus Among Economists" found that 93% of economists agree that rent control results in reduced quality and quantity in housing availability. The study was done primarily in East Coast urban areas, but the same forces exist in every area where rent control is in place. There is less potential for profit, so there is less incentive to maintain properties well. There is less incentive to improve them, and there is less incentive to build new rental properties. And if exceptions to rent control are carved out for new properties, that is both inherently unfair and it tends to create rundown neighborhoods where holder properties are concentrated. Fully 71% of all rentals are in buildings with less than 10 units. These tend to be owned by small owners, "mom and pops" like my wife and me.

The United States is the richest nation in the world, with one of the highest per capita incomes of any country. Once our per capita income was number 1, but it is now listed as #5, or #9, or #12 by three different NGOs. We achieved our wealth by developing a strong economy, primarily through the free-market allowing the laws of supply and demand to function with minimal interference from government. Once we were the freest nation on Earth, with one of the least intrusive governments. Today, we are rated #11 in economic freedom, #16 on the world liberty index, #20 on the Fraser freedom index. Governance is critical to a well-functioning economy, but the role of government is primarily to protect our freedoms, not encroach upon them. We have the 3rd highest corporate tax rate in the world, some of the highest property taxes in the world, and one of the highest income tax rates in the world. We are destroying the goose that lays the golden egg. We can't keep enacting regulations and legislation that reduce our economic freedoms and imposing taxes that penalize entrepreneurship and expect our economy to continue to thrive.

It is particularly unfair and damaging to single out one class of businesses (landlords) and force those businesses effectively to subsidize one group of consumers (renters).

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

George & Kathy Denise
[redacted]

[redacted] or [redacted]

From: Bob Dixon <[redacted]>
Sent: Monday, April 11, 2016 10:14 AM
To: City Clerk
Subject: Why I oppose the Apartment Rent Ordinance

Dear Mayor and Council-members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

From: Roger Pennington [redacted]>
Sent: Monday, April 11, 2016 10:24 AM
To: Roger Pennington
Subject: I wish you would call me greedy

I just listened to Sam Van Zandt interview with Roberta Moore on 106.5 and realize that Roberta is defending herself from the term "greedy landlord". I wish someone would call me greedy then I could point out

- over 66% rentals in the Bay area are more expensive than mine and have no rent price controls.
- the city Housing Director Jackie Ferrand-Hernandez makes over $205,000 a year, gets a pension, and healthcare. The median income is $51,000.
- the cities retirement fund is guaranteed a 7.5% annual return after expenses with tax payer revenue.
- I will have to sell at a loss to a high density apartment developer who will charge 60% more rent than I do.
- I worked my life to save the down payment to buy housing that others live in.

Nobody is going to call us greedy who knows the facts.

We know best how to meet the needs of our community.

Let the free market work. We don't want to become the next Oakland, San Francisco, or Los Angeles, San Jose can be better.

From: Gary Burke [mailto[redacted]]
Sent: Monday, April 11, 2016 12:11 PM
To: City Clerk <city.clerk@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; Oliverio, Pierluigi <Pierluigi.Oliverio@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; Herrera, Rose <rose.herrera@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>
Subject: Rent Control

Mayor and City Council members,

I own a small 4 unit rental unit in San Jose. For YEARS I have kept my rents low in order to help tenants and be a responsible property owner. However, I now find myself in a bind since the costs of running the building have increased so rapidly/ DRAMATICALLY within the last 2 years. With one of your formulas for increasing rents, I will only be able to increase my rents by $9.09 per month, per unit- THAT does not even cover the cost of the increase in my water bill, never mind ALL my other costs!

You currently have a fair rent policy of 8% per year-Leave it alone. That is fair to the tenants and landlords (In 23 years of owning the building I have NEVER increased the rent 8%), and it gives me flexibility now that I need it.

I do understand the situation, but this is not the way- You will kill the small property owners.

FYI; My Average rents are $1,298.00, for a 2 bedroom unit-

Sincerely,

Gary Burke

Gary Burke
[redacted]

WOODMONT
Real Estate Services

April 11, 2016

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Jeff Bosshard

Jeff Bosshard, CPM®
President Multifamily Operations
Woodmont Real Estate Services
License No. 01202338

ESSEX

PROPERTY TRUST, INC.

April 7, 2016

Dear Mayor and Council Members,

As a Regional Portfolio Manager for three rental communities in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Shannen Floyd
Regional Portfolio Manager

1100 Park Place, Suite 200 San Mateo California 94403 telephone 650 655 7800 facsimile 650 655 7810
www.essexpropertytrust.com

ESSEX

PROPERTY TRUST, INC.

April 7, 2016

Dear Mayor and Council Members,

As a Regional Portfolio Manager for eight rental communities in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Elizabeth Ashley Clark
Regional Portfolio Manager

1100 Park Place, Suite 200 San Mateo California 94403 telephone 650 655 7800 facsimile 650 655 7810
www.essexpropertytrust.com

ESSEX

PROPERTY TRUST, INC.

Dear Mayor and Council Members,

As a Division Manager of Northern California for twelve rental communities in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Monica Yoshihara
Division Manager, Northern California

1100 Park Place, Suite 200 San Mateo California 94403 telephone 650 655 7800 facsimile 650 655 7810
www.essexpropertytrust.com

ESSEX

PROPERTY TRUST, INC.

April 7, 2016

Dear Mayor and Council Members,

As a Regional Portfolio Manager for a rental community in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Elizabeth Meadows
Regional Portfolio Manager

1100 Park Place, Suite 200 San Mateo California 94403 telephone 650 655 7800 facsimile 650 655 7810
www.essexpropertytrust.com

From: CANDACE BASTOW <[redacted]>
Sent: Monday, April 11, 2016 6:33 PM
To: City Clerk
Subject: ARO Change

Mayor and Council Members

I am writing in opposition to the proposed change in the Rent Ordinance. We have always considered ourselves excellent land lords who go the extra mile for our renters and keep well maintained, older facilities. We keep the costs of repair and replacement to the lowest possible level and our rents are at the lower end of the average market rate. Our renters compliment our efforts regularly. We do our share. And yet we get no kiddos, no "way to do it", only criticism, skepticism, and suspicion for something that some others may have done. So uninspiring.

The new proposals are just more examples of government overreach. This sort of regulation costs more to tax payers and land owners which need to be recouped for the fiscal health of both. We can't run our business without profit or the quality will be diminished. No one wants to live in a run-down apartment.

This ordinance change will also affect the privacy rights of tenants and landlords, which should be protected by government. And in the end we still don't have enough housing because there simply aren't enough units available. May be the solution is to have more government housing. But not more regulation for what is working well.

Sincerely,
Candace Bastow

From: Lindsay, David <[redacted]>
Sent: Monday, April 11, 2016 10:02 PM
To: City Clerk
Subject: rent control

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

David Lindsay
[redacted]
Saratoga, Ca. 95070
[redacted]
BRE #00927727
Selling homes since 1986

AFFORDABLE HOUSING NETWORK of Santa Clara County

[redacted] San Jose, CA 95150 - Phone [redacted] - Email [redacted]

Mayor Sam Liccardo

City Councilmembers

City of San Jose

200 East Santa Clara Street

San Jose, CA 95113

April 11, 2016

Dear Mayor and Councilmembers,

We are writing to commend you for embarking on the long and painful process of reforming San Jose's Apartment Rent Ordinance. The rent control controversy is not just a political and economic issue. It goes to the heart of the great moral crisis gripping Silicon Valley, the glaring disparity of wealth between the technology billionaires and the struggling low-income communities that help sustain them. We also want to correct what we believe are unfair allegations that were communicated to you by the California Apartment Association in its letter to you dated April 4, and provide some thoughts on where we think some of the evolving compromises should land.

The CAA 's letter conveys the inaccurate impression that only rental property owners have provided input about rent control to the Housing Department and/or Councilmembers during the past year. In fact, hundreds of tenants have spoken at City Council and the Housing and Community Development Commission meetings. Pro-rent control tenants and supporters held rallies of over 100 tenants in September and again in December last year, and held a community meeting of over 500 people at Overfelt High School on March 7.

A review of correspondence posted on the Housing Department's web site shows that the over 3000 pro-rent control letters outnumber anti-rent control letters by roughly three to one. Our organization alone collected over 1600 letters with entirely volunteer efforts, mainly by tenants themselves, since we have no paid staff. All of these letters call for reducing the annual allowable rent increases to 2%, and enacting

protections to prevent unfair and unjust evictions. Many include moving personal testimonies that deserve to be read:

http://www.sanjoseca.gov/DocumentCenter/View/48173

http://www.sanjoseca.gov/DocumentCenter/View/55677

http://www.sanjoseca.gov/DocumentCenter/View/55643

Our allies also collected thousands of letters:

http://www.sanjoseca.gov/DocumentCenter/View/48326

http://www.sanjoseca.gov/DocumentCenter/View/48327

http://www.sanjoseca.gov/DocumentCenter/View/48537

http://www.sanjoseca.gov/DocumentCenter/View/53874

We also want to take this opportunity to remind you that a poll taken by EMC Research last summer indicated that 72% of residents support a rent control that would reduce allowable annual rent increases to 2%.

The CAA's complaint that their views were not acknowledged, taken into account, or considered is groundless. The Housing Department has frequently and even-handedly recognized both landlord and tenant views in its reports. What the CAA actually objects to is the fact that the Housing Department listened to others as well as to them, and that its recommendations did not agree with landlords 100% on every single issue.

The substance of the CAA's central complaint about the Housing Department recommendations is also unfounded. They essentially criticize staff for carrying out the specific instructions of the City Council, which were to study revisions to the ARO ordinance, and not (in this report) to consider and make recommendations around the questions of housing supply and affordable housing in general.

Finally, most importantly, the CAA letter does not address or even mention the humanitarian crisis that is presently being experienced by renters in San Jose. The real nuts and bolts of the rent control issue are not so much the policy details and economic arguments, but the traumatic life issues created by the continuing displacement of thousands of people in our community by rising rents and unjust evictions.

Many of these human tragedies were detailed in the recently published book, Evicted: Poverty and Profit in the American City, by Harvard sociologist and McArthur genius grant recipient Matthew Desmond. Although his research was centered in Milwaukee, it could just as well have been a description of the daily lives of many of the hundreds of thousands of tenants who live in San Jose.

"I think that we value fairness in this country," said Desmond in an interview in "The Atlantic" <http://www.theatlantic.com/business/archive/2016/03/eviction-matthew-desmond-housing/471375/>.

"We value equal opportunity. Without a stable home, those ideals really fall apart. Without the ability to plant roots and invest in your community or your school—because you're paying 60, 70, 80 percent of your income to rent—and eviction becomes something of an inevitability to you, it denies you certain freedoms. A finding of the book is that eviction causes job loss. So for folks that are working for low wages, the lack of affordable housing can cause them to make mistakes at work and eventually lose their jobs. That seems out of step with what we as a nation feel is right, and fair.

"The face of the eviction epidemic is moms and kids, especially poor moms from predominantly Latino and African American neighborhoods. We found that about one in five African American women renters report being evicted at some point in their lives. The equivalent is about one in 15 for white women renters. So there's an enormous discrepancy.

"If you're a single mom who is devoting 80 percent of your income to rent, you're going to be behind. That allows this relationship between landlords and desperate tenants where tenants get a home, and landlords get the ability to skimp on maintenance requests, without threat of coming under scrutiny from the city. Tenants can report a situation, but it greatly increases their risk of eviction. We have to be mindful of the weakness of certain legal protections under these conditions."

When Councilmembers talk about striking a balance between tenants and owners, it is important to think long and hard about exactly who we are talking about. Rental property owners are only a tiny sliver of the population, while renters represent over 40% of our city. Renters include the poorest people in San Jose, many of whom live in the kind of constant state of crisis described by Desmond. The Silicon Valley housing crisis is creating a permanent sense of desperation and anxiety among them.

In the meantime, according to the City's consultant, the great majority of landlords are faring quite well. Their average net operating income has doubled since the early 1990s, while the consumer price index (CPI) has only risen 83%. Over the same time period, their properties have accrued average market value increases of over 200%.

Desmond points out that it is important to understand the perspective of landlords as well as tenants. "Their jobs can often be hard and tricky, and writing them off as greedy or demonizing them really gets us away from the harder conversation that we need to have. One of the questions that I thought was really important to ask was, just how much money are they making? The profit margins are not small. That raises a question: To what extent can we address poverty without addressing the fact that some people make a lot of money off the poor?"

The economic tug of war between landlords and tenants is not an even battle. Property owners in Silicon Valley are not an oppressed group. Because of the housing crisis, landlords in recent decades have held a virtual monopoly over the rental market. Less than 25% of Santa Clara County residents today can afford to buy a median-priced home, much less a rental property. In its letter, even the CAA admits that it is renters who are paying for many owners' retirements, children's college educations, and medical needs – even though a large number of renters themselves cannot save for their own retirement, cannot pay for their children to go to college, and in many cases do not even have health coverage for their own families. 53% of San Jose renters are described as "rent-burdened" because they spend more than 30% of their income on housing. A quarter of San Jose renters pay over half their income for housing.

Our tenants are extraordinarily diverse. In addition to seniors and people with disabilities, they make up a large, young, energetic, and valuable part of our city. They represent the future of San Jose. We do not

benefit when this vital part of our community is destabilized and displaced. More importantly, their welfare is an accurate gauge of the moral pulse of our city. Every time rents increase at a rate faster than the cost of living, they plunge more tenants into deeper poverty, deeper rent burden, and needless suffering. We can construct a hundred complicated economic arguments why the rich have to get richer, and the poor poorer, and why they have to suffer, but they do not hold water in the scales of eternity. The Council's action on April 19 will send an important signal to tenants and to the larger community about whether our system works or not.

Sandy Perry

Affordable Housing Network of Santa Clara County

San Jose, CA.

Cc: Norberto Dueñas, City Manager

Jacky Morales-Ferrand, Housing Director

Silicon Valley Renters Rights Coalition

Note: Due to a technical glitch some 500 letters turned in by Affordable Housing Network are not currently visible on the Housing Department, although they were there up until recently. I have contacted them about correcting this problem.

From: Shashi Jaggia gmail[redacted]>
Sent: Tuesday, April 12, 2016 10:38 AM
To: Sam.licccardo@sanjoseca.gov
Cc: City Clerk; Grabowski, Ann
Subject: heartfelt appeal to respected Mayor and City Council about proposed ARO

Dear Respected Mayor of the city of San Jose and members of the City Council,

My husband and I are housing providers to tenants in a 8 unit well maintained building in San Jose. We don't quite understand why the burden of providing low cost housing is thrust upon private law abiding citizens like my husband and I, who have worked hard all our lives, saved money and put a down payment on an apartment building in an effort to generate retirement income.
We are spending many a sleepless nights worrying about this. Wondering if we should sell our property now or wait and see what happens. Wondering what options we would have if we are forced to sell our property.

Regarding lowering the allowable rent increase from 8% per year to CPIU

1. Our spacious, bright and well taken care of 2 bedroom units rents at $1750 due to the current 8% /year cap. This is at least $550 or 31% below fair market pricing.
2. Even Section 8 housing offers $2193 for a 2 bedroom unit!
3. Obviously the current 8% cap is working to keep the rents low. Any lower would result in hardship for us.
4. If the new ARO recommendations were to pass, we would not be able to maintain our building as well as we would like.

Regarding Just cause evictions:
We are in the business of finding and leasing to good tenants. We would never get rid of a good tenant who pays the rent on time, takes good care of the property and is courteous and respectful to their neighbors!
90 days no cause eviction is an amiable solution to get rid of a bad tenant. Taking that away along with reduced rent increases will cause bad tenants to never leave and result in distress to a landlord who takes pride in their property!

Please leave the rent control ordinance the way it is. There is a housing shortage in Silicon valley but changing the rent control ordinance to stricter guidelines is not the answer to this housing crisis.
It is a recipe for disaster, which will definitely bring the housing and living standards down in this city over the long term.

Thank you so much for your consideration and for reading our letter.

Sincerely,
Sunil and Shashi Jaggia
[redacted]

From: mary lee <[redacted]
Sent: Tuesday, April 12, 2016 12:11 PM
To: City Clerk
Subject: Rent Control Update

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Marian Thein
[redacted]

From: JT Pacbell [redacted]
Sent: Tuesday, April 12, 2016 12:44 PM
To: City Clerk
Subject: Please Dont pass the new Rent control

Dear Mayor and Council Members:
While the letter below was provided by my apartment association it does truly reflect my views. We are a small mom and pop rental operator with just one 4-plex which is under the current rent control. We have poured a lot of money and sweat equity into our unit and take pride that we are the cleanest and best maintained unit on our block. Passing the new rent controls will make it impossible to recover our investment. This will be true fir many others which will lead to more poorly maintained slum lord units and drive the property values down. This means worse housing options for prospective and existing renters. It means the investment that my parents and now we have nurtured for nearly 45 years now will drop in value. A drop in value means less revenue for the city.these are but a few of the reasons this is a BAD idea.
This new rent control will not serve anyone and is not in the best interests of renters, property owners or the City.
Please reject the proposed changes. What we have now is working!

Dear Mayor and Council Members:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

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affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
James Townsend

Thanks
James Townsend "JT"
[redacted]

Pardon my "Thumbstakes".
Sent from my iPhone!

From: Linda Campbell [redacted]
Sent: Tuesday, April 12, 2016 12:44 PM
To: City Clerk
Subject: Please don't pass the new proposed Rent Control

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

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As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Linda Campbell

Sent from my iPhone

From: Patrick Curci [redacted]
Sent: Tuesday, April 12, 2016 1:32 PM
To: City Clerk
Subject: Opposition on changes to the ARO

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Patrick Curci
InSite Property Management
[redacted]
San Jose, CA 95128

LEAGUE of WOMEN VOTERS SAN JOSE/SANTA CLARA
P.O. Box 5374 San Jose, CA 95150
(408) 271-7163
www.lwvsjsc.org
info@lwvsjsc.org

April 5, 2016

Mayor Sam Liccardo
Vice Mayor Rose Herrera, Councilmember, District 8
Councilmember Charles "Chappie" Jones, District 1
Councilmember Ash Kalra, District 2
Councilmember Raul Peralez, District 3
Councilmember M. Nguyen, District 4
Councilmember Magdalena Carrasco, District 5
Councilmember Pierluigi Oliverio, District 6
Councilmember Tam Nguyen, District 7
Councilmember Donald Rocha, District 9
Councilmember Johnny Khamis, District 10

Re: **Recommendations for Modifications to the City of San Jose Apartment Rent Ordinance**

The League of Women Voters San Jose/Santa Clara appreciates the opportunity to comment on the Draft Recommendations for Modifications to City of San Jose Apartment Rent Ordinance (ARO). We are in support of the proposed modifications of the ARO based upon adopted League positions. LWV California supports action at all levels of government for the provision of affordable housing for all Californians and supports measures that protect "the rights of both tenants and landlords." The overarching LWVUS position regarding housing supply is that every family should have a decent home and a suitable living environment and that government has a responsibility to ensure that this happens. It also has a very specific position stating the rights of tenants to negotiate for proper maintenance and management of facilities.

The League acknowledges that the Study of the City of San Jose Apartment Rent Ordinance conducted in January found the current ARO has done little, if anything to lower rents. The market prevailed. However, that fact will not prevent potential staggering rent increases if the existing ARO is not modified. (For example, if a landlord has not increased rent for a two-year period, an immediate 21% increase is allowed plus additional pass-through costs.)

Annual Allowable Rent Increases

It makes sense to link annual allowable rent increases to local inflation rates rather than an arbitrary fixed percentage which cannot adequately reflect sudden market changes. A reasonable fixed rate protects neither tenant or landlord. We support use of the CPI-U for the San Francisco-Oakland-San Jose area as the basis to determine the rate of rent increases. Courts have ruled that this methodology does not constitute a taking. We note that unlike some other California cities with rent stabilization ordinances, San Jose will allow 100% of CPI-U.

The ability of owners to earn a fair return is protected by a floor of 2% regardless of the inflation rate, banking of unused increases, use of the MNOI standard and the right to file a "fair return petition" with the City. Vacancy decontrol mandated by State law also provides opportunities for owners to "catch up" to market rate rents. The January Study documented that over two thirds of all rental units revert to market rate within five years. Since ARO units house some of the City's most vulnerable residents, we support the ceiling of 8% as the cumulative annual rate for rent increases because it provides an important protection for tenants.

Debt Service Pass-Through

The ARO existing ability to pass 80% of an owner's debt service to ARO tenants can generate huge rent increases when a property is sold. The League agrees with Housing staff that owners are responsible for conducting due diligence prior to the purchase of rental properties and debt service should be carried as an investment cost, not an operating cost. We support the elimination of the debt service pass-through.

Capital Improvement Pass-Through

We support the recommendation to eliminate the current capital improvement pass-through that allows owners to pass capital costs to renters amortized over only 60 months. The Court-upheld MNOI standard linked to CPI-U includes reasonable capital costs such as repair and replacement of major systems. As noted above, owners have the right to file a "fair return petition" if capital costs during a given year do not allow a fair return on investment.

Limited Capital Incentive Programming

We support the limited capital improvement program as recommended as long as the costs are removed from the base rent once improvement costs have been recovered, and the 8% cumulative ceiling remains in place. Incentives for ADA, seismic retrofit, conservation and safety are appropriate to support Citywide goals. Since costs are amortized over 5 years and do not become part of the base rent, impacts on tenants will be minimized and owners will be motivated to make such improvements.

Revised Notification Requirements

We support the proposed modifications as described. The HUD standard of a 5% vacancy rate should be used to define a tight market, not the 3% in the existing ARO. Full disclosure to tenants regarding the ARO and potential rent increases is a necessary protection to reduce "rent shock" and decrease tenant/landlord conflicts.

Amendments to facilitate monitoring and enforcement of the ARO

We support the creation of a rent registry to ensure that tenant rights under the revised ARO are fully protected. We note that six of eight California cities with rent stabilization use either a rent or unit registry. Costs of the rent registry are equally divided between owner and tenant.

Consideration of a Good Cause Eviction Ordinance

We support the recommendation to create an Anti-Retaliation & Protection Ordinance (ARPO) as a companion program to a significantly modified ARO. Tenants fearful of eviction living in one of the hottest rental markets in the country will not report code violations and need protection from retaliatory evictions. The ARPO provides just-cause protection for two years if a tenant's code violation complaint is substantiated by the City. Owners are not subject to just-cause provisions if the violation is judged to be caused by the tenant. We respectfully suggest that the effectiveness of ARPO should be evaluated one year from enactment. We note that many cities with rent stabilization programs employ a just-cause eviction model.

The gap between ARO units and non-ARO units has narrowed from 20% in 2009 to just 8% in 2014. The need to take action is urgent. We thank City Councilmembers, Housing Department staff, tenant and landlord advocates, the Advisory Committee and the Housing Commission for the extraordinary amount of work completed to date.

Sincerely,

Cecilie Schulze
President, League of Women Voters San Jose/Santa Clara

From: Tran Mai <[redacted]
Sent: Tuesday, April 12, 2016 6:08 PM
To: The Office of Mayor Sam Liccardo; District1; District2; District3; District4; District5; Oliverio, Pierluigi; District7; Herrera, Rose; District9; District 10; City Clerk; Grabowski, Ann
Subject: Modifications to the Apartment Rent Ordinance

Hello,

I am a small San Jose landlord and I find the proposed/potential changes to the rent control very complicated, hard to understand and of course very restricted. This humongous change is NOT going to solve the issue with high rent in San Jose (see San Francisco). This could lead to many issues for tenants, landlord and also the city (eg: misunderstanding, confusions, hard to enforce, potential loopholes, even higher market rent, lower workforce mobility, more crowded housing, etc.)

Sincerely,
Tran Mai

From: Hilary Armstrong [redacted]>
Sent: Tuesday, April 12, 2016 7:56 PM
To: City Clerk
Subject: Fwd: Rent Control & Just Cause Protections

---------- Forwarded message ----------
From: **Hilary Armstrong**<[redacted]>
Date: Tue, Apr 12, 2016 at 1:27 PM
Subject: Rent Control & Just Cause Protections
To: mayoremail@sanjoseca.gov,District1@sanjoseca.gov,District2@sanjoseca.gov,District3@sanjoseca.gov,District4@sanjoseca.gov,District5@sanjoseca.gov,pierluigi.o
Cc: ann.grabowski@sanjoseca.gov

Dear Mayor and City Council,

I'm a homeowner in District 9. I am raising my family in San Jose, and I support rent control and just cause eviction protections because I believe all families deserve a safe, stable place to live. My street in Cambrian Park is a vibrant community with many families who rent. Some have already been displaced by rising rental rates, and our community will suffer if more are forced to leave. I don't want to lose my amazing neighbors, who contribute so much to our city.

I also work on behalf of low-income tenants throughout San Jose, and I see the devastating effects of rising rents and displacement every day.

San Jose is in a rental housing crisis. We have the fastest rising rents in the country and families are being forced out of the city at an alarming rate.

I support the strongest renter protections possible, including:

-Tying the annual allowable rent increases to the Consumer Price Index (CPI);
-Implementing just cause for evictions;
-Prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance;
-Including more units under rent control, including duplexes, and
-Ending discrimination against Section 8 voucher holders.

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Sincerely,

Hilary Armstrong
[redacted]
San Jose, CA 95124

From: Craig Filice [redacted]>
Sent: Wednesday, April 13, 2016 8:51 AM
To: City Clerk
Subject: San Jose proposed Rent Control revisions

Please convey to all City Council members my strong opposition to the proposed changes to the San Jose Rent Control Ordinance. The proposed changes are far too restrictive to encourage the free market to continue to produce affordable units in San Jose. As can be seen in San Francisco and other Cities with similar policies, overly restrictive rent control will stagnate the construction of new units thereby tightening the market for renters. The best solution for renters is to encourage the construction of new units thereby increasing supply, not using local ordinances to attempt to artificially control the market. Craig Filice.

April 13, 2016

Dear Mayor and Council Members,

As the Community Manager of Via Apartments in Sunnyvale, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Raquel Reyna
Community Manager
[redacted]

From: Son Nguyen <[redacted]
Sent: Wednesday, April 13, 2016 12:13 PM
To: The Office of Mayor Sam Liccardo; District1; District2; District3; District4; District5; Oliverio, Pierluigi; District7; Herrera, Rose; District9; District 10; City Clerk; Grabowski, Ann
Subject: Modifications to the Apartment Rent Ordinance

To Whom It Might Concern:

1) Too Complicate and Not Comprehensive
The proposed changes suddenly create a new system with a lot of new rules and only affect a small portion of available housing stock. Such complicated system likely will have unexpected consequences and will be difficult to understand, follow and enforce.

2) Higher Market Rent
Under a tighter rent control, the gap between existing rent and market rent will be much bigger. Because rent control artificially depresses existing rents, landlords will have to set higher market rent on available/new units to cover/subsidy lower rents on current tenants. I believe this is happening in San Francisco even with their very tight rent control. This can further cause undesirable tension between existing and new tenants.

3) Reduce in Workforce Mobility
Because of lower-than-market rent, existing tenants will not want to move, even if they have a better job or their children could be in a better school. They are willing to put up with a longer commute (contribute more into the traffic issues on San Jose streets and freeways).

As in San Francisco, a studio is really crowded for 4 people (see link). It's a serious safety and issue in such living situation.

http://www.gregkroleski.com/2015/11/03/life-in-a-studio-apartment-with-my-wife-and-two-sons/

For new/potential residents, they don't want to come to San Jose because they're new tenants and will have to face an inflated (reason: see point above about new vs. existing rent) higher market rent unless they're very well paid (not exactly the intended target of rent control). This is also a similar issue in San Francisco. A less mobile workforce means a weaker economy and nobody wants that.

Please consider these issues before making a critical decision that could affect the future of an industry.

Sincerely,
Son Nguyen

April 13, 2016

VIA HAND-DELIVERY.

Honorable Mayor Liccardo and Members of the City Council
City of San Jose
200 East Santa Clara Street, 18th Floor
San Jose, CA 95113

Re: Modifications to the Apartment Rent Ordinance
Item 4.1 (April 19, 2016)

Dear Mayor Liccardo, Vice-Mayor Herrera, and Councilmembers Jones, Kalra, Peralez, Nguyen, Carrasco, Oliverio, Nguyen, Rocha, and Khamis:

San Jose is in the midst of a rental housing crisis. Rents are unaffordable to all but the wealthiest members of our community and are increasing at rates that far outstrip the ability of low- and moderate-income renters to afford them. Average asking rent for a two-bedroom apartment is $2750, meaning that families must earn $110,000/year just to afford a place to live. In contrast, workers in many occupational categories make under $60,000/year in Silicon Valley.

Living through this housing crisis causes needless suffering, overcrowding, stress, code violations, family instability and displacement. Seniors, people with mental and physical disabilities, and the working poor can find themselves forced out of their homes—and often out of Silicon Valley altogether—by exorbitant rent increases and unfair evictions. The tenants displaced by this crisis are the workers who drive our economy, the students who attend our schools, and the neighbors who make our community strong.

The City's own consultant's report finds that San Jose's existing Apartment Rent Ordinance (ARO) is ineffective at stabilizing rents, and tenants in ARO units overpay for housing and live in overcrowded conditions at even greater rates than tenants in non-ARO rental housing. **We need strong rent control and just cause eviction protections now to prevent the further destabilization of our neighborhoods, damage to our workforce, and loss of our community's economic and racial diversity.**

We call on the City of San Jose to adopt changes to the ARO that include:

- Annual allowable rent increases tied to the annual change in the Consumer Price Index (CPI). Specifically, the ARO should allow annual increases of 75% of the annual change in CPI-U, with a floor of 0% and a ceiling of 5%. (Subject to reasonable adjustments.)
- A prohibition against no-cause evictions.
- An ordinance prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance.

- Expansion of the number of units covered by the ARO through Inclusion of duplexes.
- A robust, fully staffed program within the City of San Jose to enforce the above policies, including a rent registry.

Strengthening San Jose's rent ordinance, as we are proposing, is a cost effective solution that will stabilize rents and tenancies for tens of thousands of low- and moderate-income tenants, and promote the stability of our neighborhoods. We urge the City Council to act now to pass these critical changes to the Apartment Rent Ordinance.

Sincerely,

Affordable Housing Network of Santa Clara County

Aging Services Collaborative of Santa Clara County

Amigos de Guadalupe

Asian Law Alliance

CHAM Deliverance Ministry

Coalition for Justice and Accountability

DeAnza Students for Renters' Rights

EMQ FamiliesFirst

Grail Family Services

HomeFirst

H.O.M.E.L.E.S.S.

Housing Choices Coalition

Homeowners Organized to Maintain Equity (H.O.M.E.)

The Interfaith Council on Economics and Justice

Law Foundation of Silicon Valley

N.A.A.C.P. San Jose Chapter

People Acting in Community Together (PACT)

Public Advocates

Public Interest Law Project

Sacred Heart Community Service

Sacred Heart Housing Action Coalition

Sacred Heart Renters' Organizing Committee

San Jose State University Human Rights Program

School of Arts and Culture at MHP

SIREN (Services, Immigrant Rights, and Education Network)

Silicon Valley De-Bug

Silicon Valley Independent Living Center

Silicon Valley Rising

Somos Mayfair

[LIST OF SIGNATORIES CONTINUED ON NEXT PAGE]

South Bay Labor Council

South Bay Tenants Union

Step Up Silicon Valley

Tenants Together

UNITE HERE Local 19

Working Partnerships USA

cc: Ann Grabowski, Department of Housing
Jacky Morales-Ferrand, Department of Housing
City Clerk

From: Mohammad Taher [redacted]>
Sent: Wednesday, April 13, 2016 4:18 PM
To: City Clerk
Cc: Mohammad Taher
Subject: opposition to CPI-based rent control

I would like to register my opposition to the proposed CPI-U based rent control in San Jose.
The property owners already suffer from low return on investment (ROI) and this will cause the property owners to reduce their cost by not maintaining and keeping up their property (s) and hence the housing quality will go down. In my case, I have a few long term tenants living in my 4-plex living there for over 12 years and their rents are much below the market rate. I am being pushed to either raise their rents drastically before this proposal takes effect, or ask them to leave, not fair for them either way! So, long term the tenants will suffer as well by passing this proposal.
Regards,
M. Taher

From: Bob Basso <[redacted]>
Sent: Wednesday, April 13, 2016 6:03 PM
To: City Clerk
Subject: No rent controls

Let fair market decide. Why become a landlord ? Will hurt san jose in the long run. Who will build here with controls
BOB BASSO, REALTOR- BROKER [redacted]1

From: McPhee, Joanne [redacted]>
Sent: Wednesday, April 13, 2016 6:14 PM
To: City Clerk
Cc: meghan knippen
Subject: STRONGLY Opposed to the Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I am strongly opposed to the San Jose Housing Department's final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights, I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

It's very expensive to own and maintain property in the Bay Area. High rents are a direct result of the high cost to hold property.

Joanne McPhee

Important Note: Please know that I have not verified any of the information in documents that have been prepared by others.

JOANNE MCPHEE
REALTOR® | BRE#01713548
[redacted]

COLDWELL BANKER PREVIEWS INTERNATIONAL
The global leader in luxury real estate for over 80 years.
www.previewsadvantage.com

From: [redacted]>
Sent: Wednesday, April 13, 2016 9:15 PM
To: City Clerk
Subject: (no subject)

I say NO to any and all rent control.

From: David Flores [redacted]
Sent: Wednesday, April 13, 2016 9:23 PM
To: City Clerk
Subject: I like you to knoow I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

David Flores
[redacted]

From: vi shah <[redacted]>
Sent: Wednesday, April 13, 2016 10:52 PM
To: City Clerk
Subject: re: Rent Control

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Santa Clara County.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes but stricter rent control regulations won't solve our problems.

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Regards,
Vishakha Shah
Realty World - Six Sigma
[redacted]

I am Never too busy for your referrals & ALWAYS Grateful!

From: John Giorgianni [redacted]t>
Sent: Thursday, April 14, 2016 12:53 AM
To: City Clerk
Subject: new rent control ordinance

TO WHOMEVER IS RESPONSIBLE FOR THIS TRAVESTY

Once again those in government want to meddle in the private affairs of private citizens who happen to have saved their money and made an investment in rental real estate. If the government wants to provide housing assistance, then let them do it with general purpose taxes and let all citizens of San Jose share in the cost. Why should landlords have to subsidize housing and not the people of San Jose in general. This is another example of taking away from those who did the smart thing and invested in real estate and giving it to those who did not do the same. Why do politicians always think they can spend my money in smarter ways than I can.

If you want to subsidize housing, then do through a general tax voted on by the people, not by taxing those who you consider have too much. And yes, this is a tax you are imposing on landlords.

John Giorgianni

Cell [redacted]

From: Carol Meyer (cmeyer) [redacted]>
Sent: Thursday, April 14, 2016 7:52 AM
To: City Clerk
Subject: OPPOSE RENT CONTROL

Honorable Mayor and City Council,

Please do not pass rent control. Most of the housing stock you want to control supports 65 plus year old senior's retirement income. A notice ordinance that informs tenants about mediation would be much preferable. For those small minority of landlords who gouge, mediation would shed light on a bad practice. Rent control is a very short term fix with long term negative consequences It "helps" the renters who are in the units (without regard to their incomes) at the time it is enacted. After that is rewards staying put in a unit and never moving, thereby exasperating the rental housing shortage.) Future renters of all incomes will end up paying more for their housing as people move from surrounding cities and soak up all available housing. (This is exactly what happened in Berkeley). At the very minimum you should **absolutely exempt duplexes** which are OVERWHELMINGLY owned by seniors who scrimped and saved to buy them. My 98 year old grandmother ended up locked into super low rents in her apartments in Berkeley because she was a "nice" landlord. Consequently,she did not have enough money to pay for her own care. It was shameful. Don't punish honest, hardworking, reasonable housing providers to fix a problem caused by a few bad apples.

Rent control discourages housing renewal upgrades. The minimum begins to prevail.

Carol Meyer

From: Andy Just Sold@G <[redacted]>
Sent: Wednesday, April 13, 2016 5:57 PM
To: City Clerk
Cc: Andy Lam
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From your favorite Real Estate & Mortgage Broker,
Andy Lam of Andy Just Sold, Inc. I ❤ love referrals!
I can be reached at [redacted] / [redacted]-
[redacted] http://andyjustsold.wordpress.com

From: Lulu Lopez <[redacted]>
Sent: Wednesday, April 13, 2016 5:57 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Lulu Lopez
San Jose Resident
[redacted]

From: Carla Griffin [redacted]
Sent: Wednesday, April 13, 2016 6:00 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Thank you for taking the time to read this letter.

Sincerely,
Carla Griffin
Real Estate Broker
San Jose
CalBRE #00710852
[redacted]

From: Narges Valikhani [redacted]>
Sent: Wednesday, April 13, 2016 6:01 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Thank you,

Narges Valikhani
Realty ONE Group
[redacted] 100
Campbell, CA 95008

From: Jennifer <[redacted]>
Sent: Wednesday, April 13, 2016 6:04 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sincerely,
Jennifer Ogasawara

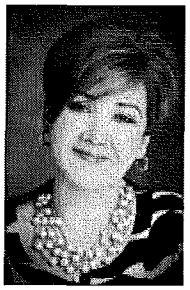
From: Ivonne Valdes [redacted]
Sent: Wednesday, April 13, 2016 6:06 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I strongly oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.



Ivonne Valdes

From: Work <[redacted]>
Sent: Wednesday, April 13, 2016 6:08 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

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There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Thank you,
Alice Ogasawara

From: Grace Vaccaro [redacted]>
Sent: Wednesday, April 13, 2016 6:09 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,
I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley. Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

It's a good life,
Grace Vaccaro
DIRECT LINE: [redacted]
CELL: [redacted]
CalBRE# 00760365

Oh By The Way...if you know someone who would appreciate my services, please call me with their name and number and I will be happy to help them.

From: Tom Beck <[redacted]>
Sent: Wednesday, April 13, 2016 6:15 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,
I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

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There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Nancy Avelar [redacted]>
Sent: Wednesday, April 13, 2016 6:21 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

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There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

--

Nancy Avelar
Santa Clara Realty
[redacted]
Santa Clara, Ca 95050

[redacted] *Cell*
BRE 01857296

From: Greg Haas [redacted]
Sent: Wednesday, April 13, 2016 6:21 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

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There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sent from my BlackBerry Z30 smartphone!

Greg Haas, Broker/Owner
Real Estate Investment Counsel
"Professional Service with Personal Care!"
[redacted]
[redacted]com
[redacted]
CA BRE Lic. # 00700933

Green statement: No trees were harmed in the sending of this email, but billions of electrons w ere really agitated.

From: Davin Nguyen [redacted]>
Sent: Wednesday, April 13, 2016 6:22 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Iris Fung [redacted]>
Sent: Wednesday, April 13, 2016 6:26 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Iris Fung
Realtor/Loan Consultant
Certified Distressed Property Expert® (CDPE)
Phone: [redacted]
Fax: [redacted]
ReEbroker
I work with my client at their pace.
Your complete satisfaction is my goal and your referrals are my greatest reward.

From: Al Spears [redacted]>
Sent: Wednesday, April 13, 2016 6:27 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council, I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley. Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Al Spears

From: Louis m Snyder <[redacted]>
Sent: Wednesday, April 13, 2016 6:37 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

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There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sent from my iPad
Louis M Snyder

From: Kim Mattos [redacted]t>
Sent: Wednesday, April 13, 2016 6:37 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

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There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Regards,

Kimberly M. Mattos, J.D., Broker
[redacted]
Cell: [redacted]
Fax: [redacted]

From: Buckley Nguyen [redacted]>
Sent: Wednesday, April 13, 2016 6:42 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Ronald <[redacted]>
Sent: Wednesday, April 13, 2016 6:44 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sent from my iPhone

From: Kuhn, Michael [redacted]>
Sent: Wednesday, April 13, 2016 6:51 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,
I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.
Thank You, Michael Kuhn

From: Kuhn, Michael <[redacted]>
Sent: Wednesday, April 13, 2016 6:51 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council, I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley. Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

I have not verified any of the information contained in these documents that were prepared by other people. Buyers need to satisfy themselves as to the issues discussed in these documents.

Michael Kuhn, GRI
CA LIC# 01356846
Coldwell Banker Real Estate
[redacted]

From: Angie Markolefas <[redacted]>
Sent: Wednesday, April 13, 2016 6:53 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

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There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Thank you,

Angie

Angie Markolefas
Senior Sales Consultant
Berkshire Hathaway HomeServices-
Drysdale Properties
[redacted]
San Jose, California 95123
Office: [redacted]
Cell: [redacted]
www.[redacted]
CalBRE#01081280

From: Abby syed <a[redacted]>
Sent: Wednesday, April 13, 2016 8:57 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sent from my iPhone

From: [redacted] of Sandy Adams [redacted]>
Sent: Thursday, April 14, 2016 9:06 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

The housing shortage didn't happen over night. It can't be fixed over night. Stricter rent control regulations on small owners won't solve our problems.

Respectfully,

Sandy Adams
President, Rental Housing Network
Broker/Owner, Sandy Adams Properties
San Jose Resident

From: [redacted]>
Sent: Thursday, April 14, 2016 9:02 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Dare David. [redacted]>
Sent: Thursday, April 14, 2016 7:51 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: [redacted] Monique Bosomworth

Sent: Thursday, April 14, 2016 7:35 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sincerely,
Monique Bosomworth

From: Frederick Fernandez [redacted]>
Sent: Thursday, April 14, 2016 4:18 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,
I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

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Frederick Fernandez
Broker/Owner
CalBRE# 01498725
The Fernandez Realty
[redacted]
Milpitas, CA 95035
[redacted]

From: Lexuant [redacted] >
Sent: Thursday, April 14, 2016 3:13 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sent from my iPhone

From: David Lam [redacted]>
Sent: Wednesday, April 13, 2016 10:42 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I whole heartedly opposes the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems. I urge you to consider other options and compromises.

While I do believe in helping people who are less fortunate, I also believe in capitalism and the supply and demand concept. I think adjusting rent increase to the CPI index is unfair and low. I think it should be CPI index + 2-3 points. Note that the cost of replacing anything these days have increase and is not cheap; security deposits hardly covers major damages and time to fix up the units.

Best Regards,

David

From: Alice Nguyen [redacted]>
Sent: Wednesday, April 13, 2016 10:36 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Chris W. Campbell [redacted]>
Sent: Wednesday, April 13, 2016 10:33 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Best,

Chris W. Campbell
Realtor, e-PRO, GRI, SRES, Member, Institute for Luxury Home Marketing
Intero Real Estate Services
[redacted]
San Jose, CA 95125
[redacted]
www.ChrisCampbellProperties.com

From: Gary Likhatchev [redacted]>
Sent: Wednesday, April 13, 2016 9:33 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Gary Likhatche

From: al mueller [redacted]>
Sent: Wednesday, April 13, 2016 6:42 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council, I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley. Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Jesy Turpo [redacted]>
Sent: Wednesday, April 13, 2016 9:15 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Jesy Turpo

From: Abby syed [redacted]>
Sent: Wednesday, April 13, 2016 8:57 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sent from my iPhone

From: Sal Guardino [redacted]>
Sent: Wednesday, April 13, 2016 8:47 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,
I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Departmentâ€™s proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Joseâ€™s housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.
Sal Guardino
Registered Voter and Resident
City of San Jose

From: [redacted]
Sent: Wednesday, April 13, 2016 7:37 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council, I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley. Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Bill Bryant <[redacted]>
Sent: Wednesday, April 13, 2016 7:29 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Bill Bryant - CRS, GRI, e-Pro
Jacob Davis Real Estate
[redacted].com
[redacted]
BRE # 00603417

From: Raymond Huie[redacted]
Sent: Wednesday, April 13, 2016 7:30 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council Members of San Jose,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley. Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Raymond Huie

From: dennis steinbach [redacted]>
Sent: Wednesday, April 13, 2016 7:24 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council, I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley. Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Brad Gill <[redacted]>
Sent: Wednesday, April 13, 2016 7:02 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Bradley Gill
[redacted]
San Jose, CA 95139
[redacted]

ESSEX

PROPERTY TRUST, INC.

April 7, 2016

Dear Mayor and Council Members,

As a Regional Portfolio Manager for a rental community in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Elizabeth Meadows
Regional Portfolio Manager

1100 Park Place, Suite 200 San Mateo California 94403 telephone 650 655 7800 facsimile 650 655 7810
www.essexpropertytrust.com

ESSEX

PROPERTY TRUST, INC.

Dear Mayor and Council Members,

As a Division Manager of Northern California for twelve rental communities in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Monica Yoshihara
Division Manager, Northern California

1100 Park Place, Suite 200 San Mateo California 94403 telephone 650 655 7800 facsimile 650 655 7810
www.essexpropertytrust.com

ESSEX

PROPERTY TRUST, INC.

April 7, 2016

Dear Mayor and Council Members,

As a Regional Portfolio Manager for eight rental communities in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Elizabeth Ashley Clark
Regional Portfolio Manager

1100 Park Place, Suite 200 San Mateo California 94403 telephone 650 655 7800 facsimile 650 655 7810
www.essexpropertytrust.com

ESSEX

PROPERTY TRUST, INC.

April 7, 2016

Dear Mayor and Council Members,

As a Regional Portfolio Manager for three rental communities in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Shannen Floyd
Regional Portfolio Manager

1100 Park Place, Suite 200 San Mateo California 94403 telephone 650 655 7800 facsimile 650 655 7810
www.essexpropertytrust.com

From: Oralia Espinoza <[redacted]>
Sent: Thursday, April 14, 2016 10:08 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Leonard Cino [redacted]>
Sent: Thursday, April 14, 2016 10:30 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Jitender Makkar [redacted]>
Sent: Thursday, April 14, 2016 10:41 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Wishing You Most And MORE...

Jitender Makkar
OHomez: Outstanding Homes
Cell: [redacted]
BRE#01472738
[redacted]
Sent from IPhone

From: Julie Braun [redacted]>
Sent: Thursday, April 14, 2016 10:51 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council, I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley. Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Rose Garden Realty phone: [redacted]
Julie Braun

From: Veronika and Peter Suess <[redacted]m>
Sent: Thursday, April 14, 2016 11:32 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: [redacted]
Sent: Thursday, April 14, 2016 11:49 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Thai Nguyen
Broker, GRI, CEO
Crystal Estates
Cell: [redacted] Office: [redacted] Fax: [redacted]
DRE# 01406846 - NMLS#322146
www.crystalestate.net - [redacted]
Client Testimonials & Reviews

From: vi shah [redacted]>
Sent: Wednesday, April 13, 2016 10:52 PM
To: City Clerk
Subject: re: Rent Control

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Santa Clara County.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes but stricter rent control regulations won't solve our problems.

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Regards,
Vishakha Shah
Realty World - Six Sigma
[redacted]

From: Tran Mai <[redacted]>
Sent: Tuesday, April 12, 2016 6:08 PM
To: The Office of Mayor Sam Liccardo; District1; District2; District3; District4; District5; Oliverio, Pierluigi; District7; Herrera, Rose; District9; District 10; City Clerk; Grabowski, Ann
Subject: Modifications to the Apartment Rent Ordinance

Hello,

I am a small San Jose landlord and I find the proposed/potential changes to the rent control very complicated, hard to understand and of course very restricted. This humongous change is NOT going to solve the issue with high rent in San Jose (see San Francisco). This could lead to many issues for tenants, landlord and also the city (eg: misunderstanding, confusions, hard to enforce, potential loopholes, even higher market rent, lower workforce mobility, more crowded housing, etc.)

Sincerely,
Tran Mai

From: Eileen Ryan <[redacted]>
Sent: Thursday, April 14, 2016 1:02 PM
To: City Clerk
Subject: I'm for Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council, I approve the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance.
It's about time people started caring about renters. some are single mom's with children. some are elderly folks.
We have to start caring about people instead of MONEY.
Thanks, E. Ryan

From: Joseph Bommarito <[redacted]>
Sent: Thursday, April 14, 2016 1:20 PM
To: City Clerk
Subject: SJ Rent Control

The proposal that is put forward on rent controls is bad for everyone, both Owners and Tenants. Owners and Tenants should get together and have a win win situation for both Tenants and Owners.

Owners need Tenants !

Tenants need Owners !

One side winning at the expense of the other will ultimately destroy both.

Let's not destroy each other !

Instead of **taking** from one another let's **give** to one another by compromising. In a compromise you do not destroy one another. Each side wins something. Let's compromise and make it a win win solution for both Tenants and Owners.

Thank You,
Joe Bommarito
Property Owner

From: Richard Matthews <[redacted]>
Sent: Thursday, April 14, 2016 1:29 PM
To: The Office of Mayor Sam Liccardo; Herrera, Rose; Jones, Chappie; Kalra, Ash; Peralez, Raul; Matthews, Margie; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Rocha, Donald; Khamis, Johnny; City Clerk
Subject: Please Oppose Rental Restrictions

Dear Mayor Liccardo & City Council Members:

As a San Jose rental property owner, I urge you to oppose stricter regulations on the rental housing industry as these proposals will not create more affordable housing opportunities. In fact, these regulations would jeopardize safe, quality housing for our residents.

I am a responsible landlord and follow the rules of the law. It is my hope that you will determine as I have that we don't need punitive rent control regulations or an eviction-for-cause ordinance.

Punitive rent control measures lead to troubling consequences. There is an increase in the deterioration and under-maintenance of rent controlled rental units as owners reduce or eventually abandon upkeep, creating more dangerous neighborhoods where rental housing is clustered.

I know it is illegal to evict tenants in order to raise rent. If there are landlords who are skirting the rent control laws, then the city should punish them. Do not punish me by taking away my ability to provide my good residents a safe community. A just cause eviction requirement will further slow an eviction thereby hurting neighboring tenants. Would you want to live for 2-4 months next to a disturbing or even threatening tenant? Let's continue to preserve strong San Jose neighborhoods and protect good tenants by allowing owners and managers to effectively manage their properties.

No one can deny that we do not have enough housing to meet demand. The only way we can address housing affordability is to make more housing available and support the construction of more housing for families of all income levels. Stricter regulations won't solve our problems. Strict rent control DECREASES rental stock over the long term!

I urge you to focus on meaningful solutions that will keep our economy strong, our communities safe, and provide quality housing opportunities for all residents.

Sincerely,

Richard Matthews

From: frankbomm@aol.com[redacted]>
Sent: Thursday, April 14, 2016 4:35 PM
To: City Clerk
Cc: FrankBomm@aol.com
Subject: Proposed Amendments to the ARO

Mayor Liccardo and Council Members,

We are a family owned business, operating properties in San Jose since 1979. We have 3 buildings covered by the ARO, comprising a total of 105 units (2 buildings in district 1, purchased in 1979 and 1986, and 1 building in district 6, purchased in 2006.) These properties were not purchased on "speculation" as the suggested in the proposed amendments to the ARO, but as long term investments for our retirement.

The proposed amendments to the ARO will not help those that need the help the most, low income families. Rent control only encourages tenants who would move elsewhere to stay in their units, especially higher income households who tend to move less frequently. ARO units tend to turnover over less frequently, causing the supply of available units to contract. This is especially true in cities like Santa Monica and San Francisco, which have CPI based systems.

The proposed amendments regulate only 1/3 of the city's available rental housing stock and are punitive to the responsible landlords who own these units. This proposal is contrary to the City of San Jose's commitment of "being open for business." These amendments will only increase the bureaucracy within San Jose and pass those costs on to responsible landlords. Landlords should not have to petition the city for necessary capital improvements and investments into older housing stock. Because of the uncertainty of whether improvement costs can be passed-through, needed improvements and investments in the housing stock will decrease, which will lead to the deterioration of rent controlled units.

Rental owners, like their residents, value certainty, reliability, and stability. A fixed rate maximum allowable rent increase with a clear process for passing on capital expenses is far superior to the staff proposal. The CPI does not take into account the rising costs of insurance, taxes, maintenance and utilities while ensuring a fair return on my investment. The City of San Jose pension funds are expected to deliver a 7% return on investment each year, yet the City of San Jose intends to cap my return on investment, which is my retirement. How is this a "balanced" solution? Is San Jose going to cap any fee/cost increases that will be passed on to landlords and limit that to the same CPI standard that my business is being subjected to?

The current "No Cause" process, in place since 2003 works. We do not need to implement a new "anti-retaliation" ordinance. There are "anti-retaliation" protections for tenants already in place under existing state laws. Both sides need to be educated to reduce fear, uncertainty and doubt.

No one can deny that we have a serious housing crisis. The proposal outlined on April 8, 2016 does not solve the problem. The proposed amendments are not a "balancing" of stakeholders input, rather it is the Housing Department implementing the same rent control policies as other cities that have adopted a CPI based annual allowable increase. San Jose is just becoming a "follower" of bad economic policy with a one sided proposal which is not fair or equitable to property owners.

Frank Bommarito
Housing Provider
April 14, 2016

From: Sandy Adams [redacted]
Sent: Thursday, April 14, 2016 4:54 PM
To: City Clerk
Subject: ARO Rent Control

Dear Mayor and Councilmembers;

After reading the latest Memorandum from acoucilmember, I literally feel sick and helpless.
I left home at 18 years old. I had nothing. No savings. No car. I have worked two jobs nearly all my adult life. I was a single mom for many years with no child support. I have no pension or company retirement. I don't buy expensive toys or go on vacations. I have a small savings, which every dollar of contribution was made by me, out of my own pocket.

My plan was to buy an investment property to add to my social security payments and hopefully retire at 70 years old. Now, because of a decision in the hands of 11 individuals, I may not be in a position to retire at 70. For some reason it is perceived that because I own a property, I must be well-off. No one looks at the sacrifice that some rental owners have made to position themselves for later in life. Instead 11 individuals could decide that rental owners have income therefore they must subsidize other individuals who didn't work two jobs all their lives.

We all want more affordable housing. But it's not just or fair to take from the pockets of one group to give to another. But, 11councilmembers could do that because no one has a hand in their pockets.

Very frustrated,

Sandy Adams
President
Rental Housing Network
[redacted] Campbell, CA 95011
www.rentalhousingnetwork.com
[redacted]

RENTAL HOUSING
NETWORK

From: Dave Mooso[redacted]>
Sent: Thursday, April 14, 2016 9:23 PM
To: City Clerk
Subject: The proposed changing of the rent control rules

Hello distinguished counsel person,

I am righting as a land lord that is not affected proposed rent control laws. That said, I would like to express a few points that may help you in your important decision on this matter.

1) This law proposes to help people purchase a house in the future. Highly unlikely. If you pass this law a person would be foolish to struggle to get the down payment that would get them a mortgage that would much hire than there current rent.

2) More people will have lower rents. If passed the opposite is true. Landlords and lawyers are likely to figure out ways to get around this law. The City may be inviting a costly lawsuit.

3) Help lower income people find reasonable housing. It will create slum lord

situations. Since rents coming in will not keeping up with expenses. Roof repairs, parking repairs plumbing repairs of all kinds, will be delayed until they end up being condemned. Is this what the counsel would like to leave as there legacy?

4)Save our city stop trying to control the market place by have one private citizen pay for the rent of another citizen. If you are looking for a solution. Make it easier to build more rental housing. It is true that we can not build our way out of this situation, but can relive some of the pressure. Creating more jobs and bringing in more tax revenue at the same time.

5)When the rental market softens up as it always does. The market will take care of itself.

Respectively David Mooso Landlord in the City of San Jose,

From: [redacted] <[redacted]
Sent: Thursday, April 14, 2016 11:49 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Thai Nguyen
Broker, GRI, CEO
Crystal Estates
Cell: [redacted] Office: [redacted] Fax: [redacted]
[redacted] San Jose, CA 95113
DRE# 01406846 - NMLS#322146
www.crystalestate.net - [redacted]
Client Testimonials & Reviews

From: Mo Wise <[redacted]
Sent: Thursday, April 14, 2016 12:12 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Mo Wise
Broker Associate / Realtor
Realty World Milestone Los Gatos
[redacted]
www.WisePlaces.com

From: gloriaholmes77[redacted]
Sent: Thursday, April 14, 2016 12:25 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sent from my Verizon Wireless 4G LTE smartphone

Coldwell Banker The Professional Group
Gloria Jean Holmes
Realtor, CalBRE #01967404
PLMC Certified Real Estate Agent
[redacted] BUSINESS
[redacted] CELL
[redacted]
San Jose, CA 95134
www.HolmesLuxuryMarketing.com

From: Hassan Sabbagh, JD <[redacted]>
Sent: Thursday, April 14, 2016 12:23 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council, I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley. Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

ps: Never too busy for a good referral from your family/friends
that need to sell or buy a home!

[redacted]

www.homenet123.com
Dr. Hassan Sabbagh, JD, MSL, MS, BS
Licensed Loan Officer NMLS # 314559
BRE Licensed Officer # 01458649
BRE Licensed Broker # 01340677

From: David A. Verbera [redacted]
Sent: Thursday, April 14, 2016 12:35 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

I have voted and supported you and some of you for many years. Please support me.

David A. Verbera
Real Estate Broker
Realty World Villa California

From: Nick Chargin [redacted]
Sent: Thursday, April 14, 2016 1:35 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Yeager, Judy [redacted]com>
Sent: Thursday, April 14, 2016 1:44 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

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There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sent from my Verizon Wireless 4G LTE smartphone

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Nothing in this email shall be deemed to create a binding contract to purchase/sell real estate. The sender of this email does not have the authority to bind a buyer or seller to a contract via written or verbal communications including, but not limited to, email communications.

From: Dennis Skowronski <[redacted]
Sent: Thursday, April 14, 2016 2:13 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Departmentâ??s proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

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There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Lisa Tran[redacted]
Sent: Thursday, April 14, 2016 7:26 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

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There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Thank you,

Lisa Tran

From: Sonia Vu <[redacted]
Sent: Thursday, April 14, 2016 8:39 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sonia Vu

From: Gene Hunt [redacted]
Sent: Thursday, April 14, 2016 9:29 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Best,

W. Gene Hunt
Realtor

From: Hanlinh_gmail <[redacted]>
Sent: Friday, April 15, 2016 2:10 AM
To: City Clerk
Subject: Re: I'm against Changes to San Jose's Apartment Rent Ordinance

Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sent from my iPhone

From: Akemi Flynn [redacted]>
Sent: Friday, April 15, 2016 8:42 AM
To: City Clerk
Subject: Apartment Rent Ordinance - VOTE FOR RENTERS

I URGE YOU TO VOTE FOR THE STRONGEST RENTERS' PROTECTIONS POSSIBLE.

This includes protections against evictions (Just Cause), keeping rents low (75% of CPI) on rent controlled apartments, more rent controlled apartments and ending discrimination against Section 8.

Do what is right for San Jose, protect renters!

Akemi Flynn
[redacted]
San Jose, CA 95126

ESSEX

PROPERTY TRUST, INC.

April 15, 2016

Dear Mayor and Council Members,

As a Group Vice President of Operations for twelve rental communities in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing; rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

[redacted]

Scott Reinert
Group Vice President, Operations

[redacted] San Mateo California 94403 telephone [redacted]
www.essexpropertytrust.com

From: alpippert@aol.com[redacted]
Sent: Friday, April 15, 2016 10:22 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council, I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley. Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: ali goksel <[redacted]>
Sent: Friday, April 15, 2016 11:50 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council, I oppose the San Jose Housing Departments final recommendations to San Jose's
Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley. Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations will not solve our problems.

Ali Goksel
Premier Century Real Estate Services
DRE #01478345

From: luko buich [redacted]>
Sent: Friday, April 15, 2016 3:10 PM
To: City Clerk
Subject: CPI-based annual CAP in San Jose

Dear San Jose City Council Members,

I am a small residential rental property owner (4-PLEX) in San Jose, and I am very concerned about the new rent control ordinance, that the city is trying to pass.
If new restriction on rent increase is passed, tied to CPI-U, it would be difficult to maintain and upgrade my property, which pretty soon would need the new roof 20,000.00, the new copper plumbing another 20,000.00 and the new paint 10,000.00 more, plus interior upgrades like kitchens, bathrooms etc. It would most likely make it not to be profitable to stay in residential rental business in San Jose.
It also targets us small property owners with older buildings been built before 1978, that do need the upgrades and more repairs then the newer ones being built after. To me it appears to be discriminatory because; firstly we need to spend more money on repairs, and the remodel, secondly we are restricted to raise a rent to be tied to CPI, on the other hand the newer properties built after 1978 will be excluded.
To make it even more difficult, the suggested " JUST CAUSE " I see it as "the last nail in the coffin", which would totally make it complicated to remain in this business.
In addition to all of this several studies have shown that rent control in a long term is not beneficial to the renters, nor to the cities. The best solution for everybody would be, to leave the rent control alone and for the city to build more affordable housing.
I think we should all strive to create "win -win" solution, and not the other way around.
I hope you understand my, as well as other small property owners plight, not to support the passage of the proposed changes to the San Jose rent control ordinance.
Sincerely,
Luko Buich

From: N Olmeda <[redacted]
Sent: Friday, April 15, 2016 6:03 PM
To: City Clerk
Subject: Apartment Rent Ordinance - Please vote in support of the working class

I URGE YOU TO VOTE FOR THE STRONGEST RENTERS' PROTECTIONS POSSIBLE.

===
San Jose native here... the ONLY reason I can still live in the city I grew up in, and where my parents and friends are, is because of rent control. I'm an educated professional, gainfully employed, and I would NEVER be able to afford a market rate studio these days!

I have no opportunity to buy a house, get married, or have kids in this uncertain economic climate. My rent went up the maximum 8% last year- whose salary regularly increases by 8% a year? It will only get worse as new tech campuses open in the city. While I'm glad you're addressing the problem of job scarcity in SJ, what point is there in creating middle-class jobs if a middle-class salary won't allow residents to live in town?

A vote against rent control is a vote to eject productive citizens and their families from the place they've lived for decades. And it's a vote to enrich speculators and carpetbaggers who contribute nothing to this community. Who has more to lose?

N Olmeda
[redacted]
San Jose, CA 95125

From: Suhas Pathak [redacted]>
Sent: Friday, April 15, 2016 10:10 PM
To: City Clerk
Subject: I oppose rent control on principle

The Mayor,
I live in a free country where my freedom is guaranteed by the constitution. Everyone in USA is free to trade with one another without coercion from anyone including the government.

As a home owner, I have the right to charge whatever I wish. The renters don't have to rent my property. Similarly, The renters cannot force a rent amount on me, neither can I prevent them from moving out and leaving my property.

I strongly oppose any rent control measures. My feelings will be the same if I was the renter.

Regards
Suhas Pathak

From: Roberto Gil <[redacted]com>
Sent: Saturday, April 16, 2016 11:59 AM
To: City Clerk
Subject: Please support tenants

Dear City Clerk

Dear Mayor and Council,

I am very concerned about the rental situation in San Jose. I support tenant rights at the upcoming vote and I urge you to do the same.

Please vote for:
lowering the rent increase that is allowed, just cause protection against unfair evictions, adding more homes to the rent ordinance, and protecting people with Section 8 vouchers.

Your vote for these protections will make my neighborhood and city better for everyone.

Roberto Gil
[redacted]
San Jose, CA 95126

From: Jorge Fernandez[redacted]
Sent: Saturday, April 16, 2016 10:21 AM
To: City Clerk
Subject: Please support tenants

Dear City Clerk

Dear Mayor and Council,

I am very concerned about the rental situation in San Jose. I support tenant rights at the upcoming vote and I urge you to do the same.

Please vote for:
lowering the rent increase that is allowed, just cause protection against unfair evictions, adding more homes to the rent ordinance, and protecting people with Section 8 vouchers.

Your vote for these protections will make my neighborhood and city better for everyone.

Jorge Fernandez
[redacted]
Sunnyvale CA, CA 94086

From: Juanita Rodriguez [redacted]>
Sent: Saturday, April 16, 2016 7:21 AM
To: City Clerk
Subject: Please support tenants

Dear City Clerk

Dear Mayor and Council,

I am very concerned about the rental situation in San Jose. I support tenant rights at the upcoming vote and I urge you to do the same.

Please vote for:
lowering the rent increase that is allowed, just cause protection against unfair evictions, adding more homes to the rent ordinance, and protecting people with Section 8 vouchers.

Your vote for these protections will make my neighborhood and city better for everyone.

Juanita Rodriguez
[redacted]
San Jose, CA 95116

From: Gemma Abels [redacted]
Sent: Saturday, April 16, 2016 7:05 AM
To: City Clerk
Subject: Please support tenants

Dear City Clerk

Dear Mayor and Council,

I am very concerned about the rental situation in San Jose. I support tenant rights at the upcoming vote and I urge you to do the same.

Please vote for:
lowering the rent increase that is allowed, just cause protection against unfair evictions, adding more homes to the rent ordinance, and protecting people with Section 8 vouchers.

Your vote for these protections will make my neighborhood and city better for everyone.

Gemma Abels
[redacted]
San Jose, CA 95110

From: Dene Mathews <[redacted]>
Sent: Friday, April 15, 2016 9:48 PM
To: City Clerk
Subject: Please support tenants

Dear City Clerk

Dear Mayor and Council,

I am very concerned about the rental situation in San Jose. I support tenant rights at the upcoming vote and I urge you to do the same. I have a friend that had to move recently to a smaller apartment for herself and two children because she could not afford to stay in her former place.

Please vote for:
lowering the rent increase that is allowed, just cause protection against unfair evictions, adding more homes to the rent ordinance, and protecting people with Section 8 vouchers.

Your vote for these protections will make my neighborhood and city better for everyone.

Dene Mathews
[redacted]
San Jose, CA 95123

From: Diana Jauregui <[redacted]
Sent: Friday, April 15, 2016 9:00 PM
To: City Clerk
Subject: Please support tenants

Dear City Clerk

Dear Mayor and Council,

I am very concerned about the rental situation in San Jose. I support tenant rights at the upcoming vote and I urge you to do the same.

Please vote for:
lowering the rent increase that is allowed, just cause protection against unfair evictions, adding more homes to the rent ordinance, and protecting people with Section 8 vouchers.

Your vote for these protections will make my neighborhood and city better for everyone.

Diana Jauregui
[redacted]
San jose, CA 95112

From: Elizabeth Agramont [redacted]
Sent: Friday, April 15, 2016 6:58 PM
To: City Clerk
Subject: Please support tenants

Dear City Clerk

Dear Mayor and Council,

I am very concerned about the rental situation in San Jose. I support tenant rights at the upcoming vote and I urge you to do the same.

Please vote for:
lowering the rent increase that is allowed, just cause protection against unfair evictions, adding more homes to the rent ordinance, and protecting people with Section 8 vouchers.

Your vote for these protections will make my neighborhood and city better for everyone.

Elizabeth Agramont
[redacted]
San Jose, CA 95112

From: Tonya York <[redacted]>
Sent: Friday, April 15, 2016 6:30 PM
To: City Clerk
Subject: Please support tenants

Dear Mayor and Council,

I am very concerned about the rental situation in San Jose. I support tenant rights at the upcoming vote and I urge you to do the same.

Please vote for:
lowering the rent increase that is allowed, just cause protection against unfair evictions, adding more homes to the rent ordinance, and protecting people with Section 8 vouchers.

We say we want the city of San Jose to be a world class city. The current housing climate is not conducive to that.

Your vote for these protections will make my neighborhood and city better for everyone.

Tonya York
[redacted]
San Jose, CA 95118

From: Shiv Pachori [redacted]
Sent: Saturday, April 16, 2016 1:45 PM
To: City Clerk
Subject: Please do not make my rental out of business (Rent control changes)

Hi Mayor and San Jose city council members,

Please do not change rent control for property owner of 4 units or less . We are charging much lower rent $1300 per month for 2 BR1B than market
similar size unit in apartment complexes.

We plan to increase rent with in $100 per month (<8%) . Without this increase it would not be possible to afford my rental and I would have no option
but to sell my rental and move to another city.

Regards.
-Shiv

From: Maureen Chandler <[redacted]
Sent: Saturday, April 16, 2016 8:50 PM
To: City Clerk
Subject: Renters need protection: Vote for renters

Dear City Clerk

San Jose is in a rent crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:
-tying the annual allowable rent increases to the Consumer Price Index (CPI),
-implementing Just Cause for evictions,
-prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
-Including more units under rent control, including duplexes,
-ending discrimination against Section 8 Voucher holders

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Maureen Chandler
[redacted]
San Jose, CA 95128

From: Jacqueline Rivera [redacted]
Sent: Saturday, April 16, 2016 8:30 AM
To: City Clerk
Subject: Renters need protection: Vote for renters

Dear City Clerk

San Jose is in a rent crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:
-tying the annual allowable rent increases to the Consumer Price Index (CPI),
-implementing Just Cause for evictions,
-prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
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-ending discrimination against Section 8 Voucher holders

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Jacqueline Rivera
[redacted]
San jose, CA 95112

From: Pedro Cruz <Pcegrillo@gmail.com>
Sent: [redacted]
To: City Clerk
Subject: Renters need protection: Vote for renters

Dear City Clerk

San Jose is in a rent crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:
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I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Pedro Cruz
[redacted]
San jose, CA 95025

From: Julie Quinn <[redacted]
Sent: Friday, April 15, 2016 9:14 PM
To: City Clerk
Subject: Renters need protection: Vote for renters

Dear City Clerk

San Jose is in a rent crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:
-tying the annual allowable rent increases to the Consumer Price Index (CPI),
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I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Julie Quinn
[redacted]
San jose, CA 95124

From: Aurora Solis [redacted]
Sent: Friday, April 15, 2016 8:09 PM
To: City Clerk
Subject: Renters need protection: Vote for renters

Dear City Clerk

San Jose is in a rent crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:
-tying the annual allowable rent increases to the Consumer Price Index (CPI),
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-prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
-Including more units under rent control, including duplexes,
-ending discrimination against Section 8 Voucher holders

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Aurora Solis
[redacted]
San Jose, CA 95122

From: vincent perez <[redacted]
Sent: Friday, April 15, 2016 7:48 PM
To: City Clerk
Subject: Renters need protection: Vote for renters

Dear City Clerk

San Jose is in a rent crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:
-tying the annual allowable rent increases to the Consumer Price Index (CPI),
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-prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
-Including more units under rent control, including duplexes,
-ending discrimination against Section 8 Voucher holders

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

vincent perez
[redacted]
san jose, CA 95136

From: Carlos Morante [redacted]
Sent: Friday, April 15, 2016 6:50 PM
To: City Clerk
Subject: Renters need protection: Vote for renters

Dear City Clerk

San Jose is in a rent crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:
-tying the annual allowable rent increases to the Consumer Price Index (CPI),
-implementing Just Cause for evictions,
-prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
-Including more units under rent control, including duplexes,
-ending discrimination against Section 8 Voucher holders

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Carlos Morante
[redacted]
San Jose, CA 95126

From: Steve Bigbee <[redacted]net>
Sent: Friday, April 15, 2016 6:11 PM
To: City Clerk
Subject: Renters need protection: Vote for renters

San Jose is in a rent crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:
-tying the annual allowable rent increases to the Consumer Price Index (CPI),
-implementing Just Cause for evictions,
-prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
-Including more units under rent control, including duplexes,
-ending discrimination against Section 8 Voucher holders

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Steve Bigbee
[redacted]
San Jose, CA 95126

From: Lawrence Gillen [redacted]
Sent: Sunday, April 17, 2016 11:46 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we, as housing providers, face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

Lawrence Gillen
REALTOR®/Housing Consultant
BRE# 01193237
HCD# SP1177640
(408) [redacted] **Direct**
Advantage Homes
[redacted]
San Jose, CA 95111
[redacted] Fax

From: Randy Walden [redacted]>
Sent: Saturday, April 16, 2016 5:52 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sincerely,
Randy J. Walden
Realtor
Investor
Landlord
[redacted]

From: Neli Boytcheva [redacted]>
Sent: Saturday, April 16, 2016 5:35 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Neli Boytcheva
Century 21 Hallmark

From: Eva Leanos [redacted]>
Sent: Saturday, April 16, 2016 8:18 AM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,
I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley. Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed. There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Eva Leaños-Perez
Fireside Realty
[redacted]
DRE#00777811

From: Leonard Cin[redacted]
Sent: Friday, April 15, 2016 6:19 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

From: Bruce [redacted]
Sent: Sunday, April 17, 2016 4:34 PM
To: City Clerk
Subject: Against - Housing Department changes to the Apartment Rent Ordinance

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,

Bruce

Bruce Rueppel
[redacted]

From: Miguel D, Romero [redacted]
Sent: Sunday, April 17, 2016 10:02 PM
To: City Clerk
Subject: Comment on Rent Control

Dear Mayor and Councilmembers:

As a Housing Provider in San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and the postponement of deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

As a further example of the harm the proposal could do to existing tenants is to inhibit the ability of landlords to evict undesirable tenants. As an example, I recently rented to an organization that places people who are reentering society after various personal struggles. I rented a small one bedroom apartment to them for one male occupant. From the day he moved in he has had a stream of undesirable guests and visitors to his apartment. The family that lives upstairs is now afraid to allow their two children to go outside to play. In addition, the noise level is intolerable to all of the other tenants. I have complained to the agency involved and they have given him a warning letter, but this all takes time and under the proposed regulations it would take even more time because I would have to show just cause and possibly give him cash to leave. This is not

From: Smriti Rana <[redacted]>
Sent: Friday, April 15, 2016 10:13 PM
To: City Clerk
Subject: Apartment Rent Ordinance - VOTE FOR RENTERS

Dear City Clerk

I URGE YOU TO VOTE FOR THE STRONGEST RENTERS' PROTECTIONS POSSIBLE.

This includes protections against evictions (Just Cause), keeping rents low (75% of CPI) on rent controlled apartments, more rent controlled apartments and ending discrimination against Section 8.

Do what is right for San Jose, protect renters!

Smriti Rana
[redacted]
San Jose, CA 95125

From: Jen Keltner [redacted]
Sent: Saturday, April 16, 2016 5:40 AM
To: City Clerk
Subject: Apartment Rent Ordinance - VOTE FOR RENTERS

Dear City Clerk

I URGE YOU TO VOTE FOR THE STRONGEST RENTERS' PROTECTIONS POSSIBLE.

This includes protections against evictions (Just Cause), keeping rents low (75% of CPI) on rent controlled apartments, more rent controlled apartments and ending discrimination against Section 8.

Do what is right for San Jose, protect renters!

Jen Keltner
[redacted]
San Jose, CA 95126

From: Susan Price [redacted]
Sent: Saturday, April 16, 2016 9:22 PM
To: City Clerk
Subject: Apartment Rent Ordinance - VOTE FOR RENTERS

Dear City Clerk

I URGE YOU TO VOTE FOR THE STRONGEST RENTERS' PROTECTIONS POSSIBLE.

This includes protections against evictions (Just Cause), keeping rents low (75% of CPI) on rent controlled apartments, more rent controlled apartments and ending discrimination against Section 8.

Do what is right for San Jose, protect renters!

I have worked with my renter neighbors for about 15 years helping them to go to SJ Rental Rights & Referala or to the Law Foundation to hold their landlord to the law. My experience has taught me that there are a lot of landlords out there who are bullies, raciss, and they do not care about following the law or even common decency. Bad landlords have run pretty much free in San Jose. Only the good landlords follow the law. Time to crack down.

Susan Price
[redacted]
San Jose, CA 95128

From: Susan Hayase <[redacted]
Sent: Sunday, April 17, 2016 5:32 PM
To: City Clerk
Subject: Apartment Rent Ordinance - VOTE FOR RENTERS

Dear City Clerk

I URGE YOU TO VOTE FOR THE STRONGEST RENTERS' PROTECTIONS POSSIBLE.

This includes protections against evictions (Just Cause), keeping rents low (75% of CPI) on rent controlled apartments, more rent controlled apartments and ending discrimination against Section 8.

Do what is right for San Jose, protect renters!

Susan Hayase
[redacted]
San Jose, CA 95112

From: Allysson McDonald <[redacted]
Sent: Monday, April 18, 2016 6:05 AM
To: City Clerk
Subject: Apartment Rent Ordinance - VOTE FOR RENTERS

Dear City Clerk

I URGE YOU TO VOTE FOR THE STRONGEST RENTERS' PROTECTIONS POSSIBLE.

This includes protections against evictions (Just Cause), keeping rents low (75% of CPI) on rent controlled apartments, more rent controlled apartments and ending discrimination against Section 8.

Do what is right for San Jose, protect renters!

Allysson McDonald
[redacted]
Milpitas, CA 95035

From: Bela Ferreira <[redacted]>
Sent: Monday, April 18, 2016 9:17 AM
To: The Office of Mayor Sam Liccardo; District1; District2; District3; District4; District5; Oliverio, Pierluigi; District7; Herrera, Rose; District9; District 10
Cc: City Clerk
Subject: Modifications to the Apartment Rent Ordinance Item 4.1 (April 19, 2016)

To: mayoremail@sanjoseca.gov; District1@sanjoseca.gov; District2@sanjoseca.gov; District3@sanjoseca.gov; District4@sanjoseca.gov; District5@sanjoseca.gov; pierluigi.oliverio@sanjoseca.gov; District7@sanjoseca.gov; rose.herrera@sanjoseca.gov; District9@sanjoseca.gov; District10@sanjoseca.gov; cityclerk@sanjoseca.gov

April 14, 2016 Honorable Mayor Liccardo and Members of the City Council City of San Jose 200 East Santa Clara Street, 18th Floor San Jose, CA 95113

Re: Modifications to the Apartment Rent Ordinance Item 4.1 (April 19, 2016)

Dear Mayor Liccardo and City Council members:

San Jose is in the midst of a rental housing crisis. Rents are unaffordable to all but the wealthiest members of our community and are increasing at rates that far outstrip the ability of low- and moderate-income renters to afford them.

This issue is particularly crucial for seniors, many who live on a fixed income.

Nearly half of all seniors fall below the Economic Elder Index, a standard used to determine whether or not a senior can meet his/her basic needs.
The annual average Social Security for seniors in the City of San Jose is $19,391.
While the average annual rent alone in the City of San Jose for a one-bedroom apartment is around $26,500.
This leaves seniors very vulnerable to homelessness or displacement due to the unreasonable rental prices.
We need strong rent control and just cause eviction protections now to prevent the further destabilization of our neighborhoods, damage to our workforce, and loss of our community's
economic and racial diversity.

We call on the City of San Jose to adopt changes to the ARO that include:
• tying the annual allowable rent increases to the Consumer Price Index (CPI),
• implementing just cause for evictions, • prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
• including more units under rent control, including duplexes, and
• ending discrimination against Section 8 Voucher holders. I urge you to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Sincerely,
Bela Ferreira
Portuguese Organization for Social Services and Opportunities
[redacted]
San Jose, CA 95116
Office ([redacted]
Cell (408) [redacted]

From: Joseph Bommarito <[redacted]>
Sent: Monday, April 18, 2016 11:26 AM
To: City Clerk
Subject: SJ Rent Ordinance

The proposal that is put forward on rent controls is bad for everyone, both Owners and Tenants. Owners and Tenants should get together and have a win win situation for both Tenants and Owners.

Owners need Tenants !

Tenants need Owners !

Let's compromise.

Thank You,
Joe Bommarito
Property Owner

From: Shannon Wiggins <[redacted]
Sent: Monday, April 18, 2016 11:59 AM
To: City Clerk
Subject: Renters need protection: Vote for renters

Dear City Clerk

San Jose is in a rent crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:
-tying the annual allowable rent increases to the Consumer Price Index (CPI),
-implementing Just Cause for evictions,
-prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
-Including more units under rent control, including duplexes,
-ending discrimination against Section 8 Voucher holders

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Shannon Wiggins
[redacted]
San Jose, CA 95117

From: Joanne Seavey-Hultquist [redacted]
Sent: Monday, April 18, 2016 12:02 PM
To: City Clerk
Subject: Apartment Rent Ordinance - VOTE FOR RENTERS

Dear City Clerk

I URGE YOU TO VOTE FOR THE STRONGEST RENTERS' PROTECTIONS POSSIBLE.

This includes protections against evictions (Just Cause), keeping rents low (75% of CPI) on rent controlled apartments, more rent controlled apartments and ending discrimination against Section 8.

Do what is right for San Jose, protect renters!

Joanne Seavey-Hultquist
[redacted]
San Jose, CA 95125

From: Aundraya Martinez [redacted]
Sent: Monday, April 18, 2016 12:07 PM
To: City Clerk
Subject: Please support tenants

Dear City Clerk

Dear Mayor and Council,

I am very concerned about the rental situation in San Jose. I support tenant rights at the upcoming vote and I urge you to do the same.

Please vote for:
lowering the rent increase that is allowed, just cause protection against unfair evictions, adding more homes to the rent ordinance, and protecting people with Section 8 vouchers.

Your vote for these protections will make my neighborhood and city better for everyone.

Aundraya Martinez
[redacted]
San Jose, CA 95127

From: Joan Picken [redacted]
Sent: Monday, April 18, 2016 1:04 PM
To: City Clerk
Subject: Please support tenants

Dear City Clerk

Dear Mayor and Council,

I am very concerned about the rental situation in San Jose. I support tenant rights at the upcoming vote and I urge you to do the same.

Please vote for:
lowering the rent increase that is allowed, just cause protection against unfair evictions, adding more homes to the rent ordinance, and protecting people with Section 8 vouchers.

I work for the County of Santa Clara, and earn a decent wage. However, I have to live in a room within a house of a total of 7 people. Where I am, I don't even have a full kitchen.

Your vote for these protections will make my neighborhood and city better for everyone.

Joan Picken
[redacted]
San Jose, CA 95124

FW: firmas de la comunidad de Washington

OL Ortiz, Lucila Reply all |
To: ☐ Agendades 11:22 AM

From: Ortiz, Lucila
Sent: Mon 4/18/2016 11:22 AM
To: ☐ Agendadesk;

Flag for follow up. Start by Monday, April 18, 2016. Due by Monday, April 18, 2016.

You forwarded this message on 4/18/2016 1:09 PM

Pg 2 .pdf
660 KB

Pg.
659

3 attachments (2 MB) Download all
Save all to OneDrive - City of San Jose

Hello,

Please find attached correspondence our office received regarding item 4.1 on tomorrow's meeting. The title and information paragraph translate as follows:

Support for tenant rights

The signatures of families written below are to ask for support in the meeting that will take place April 19th at San Jose City hall to ask for measures to protect tenants of high increases to rents.

Let me know if you have any questions.
Have a great day,
Lucila Ortiz
Legislative and Policy Advisor
Office of Councilmember Raul Peralez
City of San Jose, District 3
200 E. Santa Clara St.
San Jose CA 95113
(408) 535-4931
Preferred Pronouns: she/her/hers/herself

escanear.

Apoyo por los derechos de los inquilinos

4/8/16

Las firmas de las familias que van escritas a quí son para pedir apoyo en la reunión que se llevarea acabo el 19 de abril en el City Hall de la Cuidad de San Jose para que ponga medidas que protejan a los inquilinos de los altos aumentos en las rentas.

408 535-4931
Lucila.ortiz@sanjoseca.gob

Nombre y apeido del padre	Direccion	Nomero de telefono
Mari DelaTorre	[redacted]	
Maria villicaña		
Angelica Chavez		
Maria Villalobos		
Maria Jimenez		
Rafaela Rodriguez		
Jose Rivera		
Esmeralda Rivera		
Nike Alvarez		
Alvaromorano		
NANCY MONTIEL		
yanet Duran		
Celia Marquez		
Victoria Garcia		
Orlina Ornelas		
Luz Elena Reyes		
Marlen Montoya		
Benito Caballero		
Elia Orozco		
Arcelia Lozo		

Apoyo por los derechos de los inquilinos

4/8/16

Las firmas de las familias que van escritas a quí son para pedir apoyo en la reunión que se llevarea acabo el 19 de abril en el City Hall de la Cuidad de San Jose para que ponga medidas que protejan a los inquilinos de los altos aumentos en las de rentas.

Nombre y apeido del padre	Direccion	Nomero de telefono
Carmen Padilla	[redacted]	
Maria Mendoza		
Adriana Leon		
Citlally S.V.		
Jose Ruan		
ELVIA GRACIANO		
Martha Ramos		
Francisca Morales		
Amparo Romero		
Vanessa Landeros		
Rosa Maria S.		
Fabiola Lopez		
Rocio Lopez		
Silvia Ortiz		
Adriana Mendoza		
Luisa. Leon		
Jairo Sarmiento		
Francisca Bonilla		
Irene Garcia		
Juana Escamilla		

Apoyo por los derechos de los inquilinos

4/8/16

Las firmas de las familias que van escritas a quí son para pedir apoyo en la reunión que se llevarea acabo el 19 de abril en el City Hall de la Cuidad de San Jose para que ponga medidas que protejan a los inquilinos de los altos aumentos en las de rentas. entregar el jueves en la junta de Madre a Madre

Nombre y apeido del padre	Direccion	Nomero de telefono
Anahi Lazaro	[redacted]	
Delfina Moro		
Miguel Cesa		
Sofia Mendoza		
Merced Aguilar		
Clara G		
MARIA DE MONTES		
Zuyin Ortega		
Julian Lopez		
Luz Cona		
Isabel Juarez		
Fabiola Alvarado		
Nancy Ortega		
Marcelina Gomez		
Laura Muñoz Romero		
Joaquina Roman		
Veronica Letona		
Juana Sixtos		
Yasmin Camacho		
Flor Gomez		

Date: April 12, 2016

Dear Mayor and City Council,

San Jose is in a rental housing crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:

- -tying the annual allowable rent increases to the Consumer Price Index (CPI),
- -implementing just cause for evictions,
- -prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
- -including more units under rent control, including duplexes, and
- -ending discrimination against Section 8 Voucher holders.

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Name: Kellyanne Tino

Address or Council District (optional): [redacted] San Jose, 95112

Tell your own story here:

My name is Kellyanne + I am a housing advocate at the Law Foundation of Silicon Valley. I primarily work with clients who are of Extremely low-income + have severe disabilities, so many of my clients have been living in San Jose for years. Their family, culture + social supports are in this area. Due to their Extremely limited income with raising rents + no cause evictions, may are being displaced + uprooted from their homes. With an eviction on their record, even if its a 90DN to move because the landlord needs to have their family come + live on the property, or for the landlord to force them out so they can raise the rent, its unbearable for this population. San Jose was once a city where the "Poor flourished." Now, its becoming a place that only the wealthy can afford. Gentrification is a major cause to this. I stand for just cause evictions + strong rental control, Just because people are of lower income, does not mean they have to leave.

Thank you. - [redacted]

Date: April 12, 2016

Dear Mayor and City Council,

San Jose is in a rental housing crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:

-tying the annual allowable rent increases to the Consumer Price Index (CPI),
-implementing just cause for evictions,
-prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
-including more units under rent control, including duplexes, and
-ending discrimination against Section 8 Voucher holders.

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Name: Molly Brennan

Address or Council District (optional): [redacted], San Jose, CA 95130

Tell your own story here:

I am a homeowner in District 1. I am raising my 3 young children in San Jose. I was born and raised in San Jose. And, I support rent control and just cause eviction protections because I believe all families deserve a safe and stable place to live. I also want my mixed race children to continue to live and attend school in an economically, racially, and culturally diverse community and neighborhood.

Sincerely

[redacted]

Date: April 12, 2016

Dear Mayor and City Council,

San Jose is in a rental housing crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate..

I support the strongest renter protections possible, including:

-tying the annual allowable rent increases to the Consumer Price Index (CPI),
-implementing just cause for evictions,
-prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
-including more units under rent control, including duplexes, and
-ending discrimination against Section 8 Voucher holders.

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Name: Marlene Bennett

Address or Council District (optional): 10

Tell your own story here:

Date: 4/6/2016

Dear Mayor and City Council,

San Jose is in a rental housing crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:

-tying the annual allowable rent increases to the Consumer Price Index (CPI),
-implementing just cause for evictions,
-prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
-including more units under rent control, including duplexes, and
-ending discrimination against Section 8 Voucher holders.

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vib[redacted]us.

Name: Rachel Miño [redacted]

Address or Council District (optional) [redacted] SJ, CA 95128

Tell your own story here:

I am a homeowner in San Jose and am raising my family here. As fortunate as my family and I have been, I believe everyone deserves the same opportunity to have a safe, stable place to live. Families deserve to not just survive but to thrive. Without stable housing, this is impossible. For these reasons, I support rent control and just cause eviction protections. It is what is best for families and best for San Jose. Sincerely, [redacted]

Date: 4/6/16

Dear Mayor and City Council,

San Jose is in a rental housing crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:

-tying the annual allowable rent increases to the Consumer Price Index (CPI),
-implementing just cause for evictions,
-prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
-including more units under rent control, including duplexes, and
-ending discrimination against Section 8 Voucher holders.

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Name: Rebecca Moskowitz

Address or Council District (optional): _____

Tell your own story here:

I work with many clients who are homeless because they cannot find affordable housing even when they have Section 8 Vouchers. These protections would make a vital difference in their lives. With housing they would better be able to maintain jobs and stabilize their health.

[redacted]

From: Cantor Devorah Felder-Levy <[redacted]
Sent: Monday, April 18, 2016 1:52 PM
To: City Clerk
Subject: Apartment Rent Ordinance - VOTE FOR RENTERS

Dear City Clerk

I URGE YOU TO VOTE FOR THE STRONGEST RENTERS' PROTECTIONS POSSIBLE.

This includes protections against evictions (Just Cause), keeping rents low (75% of CPI) on rent controlled apartments, more rent controlled apartments and ending discrimination against Section 8.

Do what is right for San Jose, protect renters!

Cantor Devorah Felder-Levy
[redacted]
Los Gatos, CA 95032

From: rolodoc@hotmail.com <[redacted]>
Sent: Monday, April 18, 2016 2:06 PM
To: City Clerk
Subject: San Jose Housing Solution

Dear Mayor Goethals and Councilmembers:

I am the owner of 3 rental properties in San Jose totaling 21 units. My apartments provide quality homes for local workers and families. I work hard to maintain my properties as safe and affordable housing for my tenants. These older buildings require large capital expenditures to keep up. However, under the proposed recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO), the reduced cap on rent increases and restrictive capital improvement pass through will lead to further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment and reduce the quality in San Jose's housing stock. If these changes are passed, the high cost of maintaining my properties would not be feasible under these onerous proposals.

There is an affordable housing problem but the recommendations the Housing Department has put forth are not the solutions. Increasing burdensome regulations will not help in providing additional affordable housing, rather it will only hurt the tenants by making it harder for working families to find homes with less turnover. Rent control has not worked in any city where it's been adopted and does nothing to address the housing shortage. Looking at San Francisco as an example, they have the highest average rents in the United States!!! The real problem is shortage of inventory for housing.

The true solution to our affordability crisis is to increase supply. Small apartment owners should not be punished and regulated unfairly due to years of inadequate public policy. Housing supply can be increased by changes in local codes, zoning regulations, fees and procedures. There are also funds and tax credits available for construction of low income housing. Examples of these policy changes and incentives are:

1. Streamlined permitting to promote production of affordable housing.
2. Accessory Dwelling Units added to existing homes can provide affordable rental housing units
3. Ease zoning regulations to allow more multifamily construction.
4. Encourage developers' use of Local Housing Trust Fund Program, provided by California Department of Housing and Community Development through the Affordable Housing Innovation - Local Housing Trust fund Program (LHTF). (http://www.hcd.ca.gov/financial-assistance/affordable-housing-innovation-fund/lhtf.html)
5. Encourage developers' use of Low-Income Housing Tax Credit (LIHTC) Programs, provided by the California Tax Credit Allocation Committee. (http://www.treasurer.ca.gov/ctcac/tax.asp)

Please vote to reject these onerous proposals. Do not adopt the changes to the ARO as solutions to this divisive issue. Let's continue to work together to explore ways that would increase housing supply and not increase unfair, burdensome regulations for the small apartment owners.

From: Stephanie Carles [redacted]>
Sent: Monday, April 18, 2016 4:03 PM
To: City Clerk
Subject: OPPOSITION TO JUST CAUSE EVICTION

To: City Clerk of San Jose

From: Stephanie and Randy Carles

We are writing to ask the San Jose City Council to OPPOSE "Just Cause Eviction" in San Jose.

We own the 9 unit apartment complex at 284 N. Third Street, in the core of downtown.

We have been providing low cost housing to the community for over 50 years.

Our current tenants include school teachers, families with young children, senior citizens, and students, both undergraduate and graduate, all of whom would not be able to afford to live here if we did not provide them with affordable housing, far below market rate.

In order to keep our tenants safe, we need to be able to evict dangerous tenants WITHOUT cause. We have had experiences where we have had to evict drug abusers and dealers who have threatened our tenants. In each case, our tenants would not publicly come forward with a complaint for fear of their safety.

We would be happy to discuss our experiences and explain in detail.

Thank you for voting AGAINST "Just Cause Eviction" in San Jose.

Sincerely,
Stephanie and Randy Carles [redacted]

To: mayoremail@sanjoseca.gov; District1@sanjoseca.gov; District2@sanjoseca.gov; District3@sanjoseca.gov; District4@sanjoseca.gov; District5@sanjoseca.gov; pierluigi.oliverio@sanjoseca.gov; District7@sanjoseca.gov; rose.herrera@sanjoseca.gov; District9@sanjoseca.gov; District10@sanjoseca.gov; cityclerk@sanjoseca.gov

Date: 4-18-2016

Dear Mayor and City Council,

San Jose is in a rental housing crisis. We have the fastest rising rents in the country and families are being forced out of the city at alarming rate.

I support the strongest renter protections possible, including:

-tying the annual allowable rent increases to the Consumer Price Index (CPI),
-eliminating the debt service pass through
-implementing just cause for evictions,
-prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance,
-including more units under rent control, including duplexes, and
-ending discrimination against Section 8 Voucher holders.

I urge you to vote to support these important protections so that San Jose can continue to be a diverse and vibrant place for all of us.

Name: Ron Campos

Address [redacted] SJ Ca 95116

My landlord is trying to increase my rent from $930 to $1378 to begin in June. There is an arbitration hearing for this on 4-20-2016 at 6pm case number 15886-R. First of all a two month notice for a 48% increase is way too short. There are no apartments avail here and there is no time to save for this move and to be approved if I find an apartment. This is basically going to put all 200 residents out on the street. There are no rights for a good renter like myself who despite being on SS has never missed a rent payment.

From: Shirley Fuller <[redacted]
Sent: Monday, April 18, 2016 4:10 PM
To: City Clerk
Subject: I'm against Changes to San Jose's Apartment Rent Ordinance

Dear Mayor and Council,

I oppose the San Jose Housing Departments final recommendations to San Jose's Apartment Rent Ordinance. As an advocate for private property rights I believe that we can find solutions that benefit all. Unfortunately, the Housing Department's proposal does not create one unit of affordable housing to help solve our housing crisis in Silicon Valley.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

There are no quick and easy fixes. Stricter rent control regulations won't solve our problems.

Sincerely,

Shirley Fuller, Realtor
[redacted]
www.shirleyfuller.com
BRE Lic #01934489

Sent from my iPhone

From: Roberta Moore [redacted]>
Sent: Monday, April 18, 2016 4:44 PM
To: Liccardo, Sam
Cc: City Clerk; Reed, Jim; Starbird, Weston; Henninger, Ragan; Sykes, Dave; Lujano, Jose; Duenas, Norberto; Doyle, Richard; Howard, Barbara; Marcoida, Christine; Cueto, Ruth
Subject: Data-driven "Smart City" & Changes to ARO Policy (Data for 19th Vote)

Dear Honorable Mayor Sam Liccardo,
Thank you for bringing the data-driven "Smart City" approach to San Jose. Please be a data-driven "Smart City" when you consider changes to ARO Policy.
Data

1. ARO Rents average $1,306.
2. Of California's 11 Rent Controlled cities, we have the best quality of life measures. This includes growth, affordability, and safety.
3. The more dangerous, expensive cities have CPI, a Registry and Cause ordinance.

Housing spent $11 million last year. Do they need another $5 to copy these more dangerous and more expensive cities?
Please don't force us to choose between our Renters and our survival. We will all lose.
We put our renters first. We value stability and people over maximizing return. If needed, we'll put survival first. Then we won't take risks on people. For example, the vacancy rate doubled since changes to ARO were announced. The result of the announcement is more people are without their own home.
With their signature, more than 30 ARO Owners and Managers have requested you look at the attached data before you vote and impact San Jose's future.
Please preserve affordable housing for our Renters. Read the data in the attached documents and be a data-driven "Smart City" now:

1. Cover Letter with 32 Signatures
2. Data Highlights: Quality of Life Ratings
3. Data Highlights: Impact of Announcement & Comparisons
4. ARO Suggestions: Low-cost High-impact from Tenants, Owners, and their advocates at the ARO Advisory Council Meetings.
5. Report: How is More Regulation Helpful or Harmful? (includes Suggestions and Data Highlights)

Regards,

Roberta Moore
ARO Stakeholder Advisory Council Member
ARO 4-Plex Owner
VMHA, Founder and Secretary (Engage Owners to Clean up Hoffman Via Monte Neighborhood)
San Jose Resident
[redacted]

From: Roberta Moore <[redacted]
Sent: Tuesday, April 19, 2016 7:24 AM
To: Liccardo, Sam
Cc: City Clerk; Reed, Jim; Starbird, Weston; Henninger, Ragan; Sykes, Dave; Lujano, Jose; Duenas, Norberto; Doyle, Richard; Howard, Barbara; Marcoida, Christine; Cueto, Ruth
Subject: Re: Data-driven "Smart City" & Changes to ARO Policy (Data for 19th Vote)

Dear Honorable Mayor Sam Liccardo,

There is a typo in the attached report. The correct Civil Code is 1942.5.

Regards,

Roberta Moore
ARO Stakeholder Advisory Council Member
ARO 4-Plex Owner
[redacted]

From: Roberta Moore <[redacted]>
Sent: Tuesday, April 19, 2016 6:43 AM
To: Rocha, Donald
Cc: Hamilton, Peter; Joanino, Jacklyn; Goings, Shirley; City Clerk
Subject: Data-driven "Smart City" & Changes to ARO Policy (Data for 19th Vote)

Dear Don,
Thank you for meeting with me about this issue.
You said the small group of ARO owners shouldn't be squeezed, but you would if other initiatives weren't voted for. What will be the impact of this decision? Will it contribute to your goals of more affordable and safe housing for San Jose?

Please consider this:

1. A retired immigrant's cost increased 7.11% every year for the past 5 years. Now that he has invested all these years, what is he going to do? If the allowable rent increase is lowered and he inevitably has to sell, the only people who will buy it are developers that will bulldoze the old and build the expensive buildings. Where will the people move who lived in the affordable housing? If this recommendation is approved, think gentrification like the Reserve Apartments on steroids.
2. A retired person is selling to pay for their long-term care. Their rents are low. Without debt-service pass through, he will be penalized for keeping rents low. Is this how you want to treat people who have provided a valuable service at a lower cost for so many years? Will others keep their costs low if San Jose is willing to do this?
3. A person involved in the killing of the Pioneer high school student December 2014 is already using Anti-Retaliation Civil Code 1942.5 to stay an extra year at a Hoffman Court building. His family created mold and then called code enforcement. The owner is afraid of her Renters and doesn't know what to do. The Hoffman neighborhood is like so many affordable neighborhoods. Dangerous drug dealers know how to game the system and they do.

Tomorrow is going to be challenging for everyone involved. We hope this will help you get a better perspective on the issues involved and how to keep San Jose Affordable and Safe.
We are pleased the Mayor is bringing a data-driven "Smart City" approach to San Jose. Please be a data-driven "Smart City" when you consider changes to ARO Policy.
Data

1. ARO Rents average $1,306.
2. Of California's 11 Rent Controlled cities, we have <u>the</u> best quality of life measures. This includes growth, affordability, and safety.
3. <u>The</u> more dangerous, expensive cities have CPI, a Registry and Cause ordinance.

Housing spent $11 million last year. Do they need another $5 to copy these more dangerous and more expensive cities?
<u>Please</u> don't force us to choose between our Renters and our survival. We will all lose.
We put our renters first. We value stability and people over maximizing return. If needed, we'll put survival first. Then we won't take risks on people. For example, the vacancy rate doubled since changes to ARO were announced. The result of the announcement is more people are without their own home.
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5. Report: How is More Regulation Helpful or Harmful? (includes Suggestions and Data Highlights)

Regards,

Roberta Moore
ARO Stakeholder Advisory Council Member
ARO 4-Plex Owner
VMHA, Founder and Secretary (Engage Owners to Clean up Hoffman Via Monte Neighborhood)
San Jose Resident
[redacted]

April 14, 2016

Honorable Mayor Liccardo,

The purpose of this letter is to provide you relevant information so the legacy of your term as a City leader improves the situation for our Renters, keeps San Jose's high quality of life rankings, protects our diverse population, and preserves our affordable housing.

We care for our renters, work hard to provide for them, and have invested in San Jose. We deserve to cover our costs and get a return as dictated by the market. It is unfair to force us small mom and pops to shoulder the burden of society's housing problems when:

- The average ARO rents are less than 60% of market rents. (Are the people complaining the ones who actually LIVE in ARO units?)
- ARO stabilizes rent for only 11% of San Jose's Renters.
- The Housing Department's Recommendation paves the way for developers to buy ARO units at reduced market value, so this also displaces small mom and pop owners.
- The Recommendation will displace more renters faster than the bad building owners ever could.
- CPI requires 2 years to replace a water heater when minimum wage increases will be 7 times that dollar amount.

Five Bay Area City Councils recently voted against Rent Stabilization because of economic impact and unintended consequences. After looking at the quality of life data, it's easy to understand why even the most liberal of economists say rent control hurts the poor the most. Announcement of changes to the policy has already:

- Increased vacancy rates from 2.9% to 6.3% resulting in more displacement of Renters.
- Reduced multi-unit sales by 61%, which will decrease property tax revenue.

The authors of our existing Rent Stabilization policy got it right in 1979. San Jose has the most effective Rent Stabilization policy of 11 California cities when looking at overall quality of life: affordable rents, safe city, lower crime rate, and healthy growth.

Please don't horse trade away our livelihood and the quality of life for our city because of complaints from non-ARO Renters. Please stand up to the unfair political pressure. The decision is within your power.

Please let us continue to be the solution to affordable housing.

Respectfully Submitted,
32 Signatures Attached
Cc: Council, City Staff, Other
Enclosure: (ARO) How is More Regulation Helpful or Harmful?

Signatures

By witness of our signature herein, we have read and approved this letter and request you read the attached report, *How is More Regulation Helpful or harmful?* The report, dated April 14, 2016, includes:

- Impact of Rent Stabilization in 11 California's Rent Controlled Cities,
- Suggestions from Renter Advocates and Affordable Housing Providers at the ARO Advisory Council Meetings, and
- Unintended Consequences with the Housing Department's Recommendation.

We own an ARO building in San Jose unless otherwise noted.

Name/Signature	Phone	E-mail Address
Sheila Kuniyoshi /	[redacted]	
Don & Steph Tietgens	[redacted]	
[redacted] (Javier Vega	[redacted]	
Carlos Padilla	[redacted] (408)	[redacted]
Dan Pan / [redacted]	[redacted]	[redacted]
Jenny Zhao	[redacted]	[redacted]
Isaac	[redacted]	
Janos Welsh	[redacted]	
[redacted]	[redacted]	[redacted]

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Name/Signature	Phone	E-mail Address
Faithzhou/	[redacted]	[redacted]

Signatures

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- Unintended Consequences with the Housing Department's Recommendation.

I am a Concerned Citizen and Stakeholder

~~We own an ARO building in San Jose unless otherwise noted~~.

Name/Signature	Phone	E-mail Address
DANIEL Lee	[redacted]	[redacted]

Signatures

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Name/Signature Phone E-mail Address

[redacted]

Signatures

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Name/Signature	Phone	E-mail Address
Mary Driedger	[redacted]	
Gary Driedger		

Signatures

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- Unintended Consequences with the Housing Department's Recommendation.

We own an ARO building in San Jose unless otherwise noted.

Name/Signature	Phone	E-mail Address
Laura Munguia	[redacted]	[redacted]
DENISE DOAN		
Manuel E Avila		
Egan + E Fettelschuh		
Lea Fettelschuhauer		
[illegible]		
Marianne Taylor		
[illegible]		
Kim Lin	[redacted]	
David Wong	[redacted]	

Signatures

By witness of our signature herein, we have read and approved this letter and request you read the attached report, *Is More Regulation Helpful or harmful?* Dated April 18, 2016. We own an ARO building in San Jose unless otherwise noted.

Name/Signature	Phone	E-mail Address
Joyce Ren	[redacted]	

Signatures

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- Impact of Rent Stabilization in 11 California's Rent Controlled Cities,
- Suggestions from Renter Advocates and Affordable Housing Providers at the ARO Advisory Council Meetings, and
- Unintended Consequences with the Housing Department's Recommendation.

We ~~own an~~ are ARO building manager in San Jose unless otherwise noted.

Name/Signature	Phone	E-mail Address
Ivor Turem	[redacted]	[redacted]
[illegible]		

Signatures

By witness of our signature herein, we have read and approved this letter and request you read the attached report, *How is More Regulation Helpful or harmful?* The report, dated April 14, 2016, includes:

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- Unintended Consequences with the Housing Department's Recommendation.

~~We own an ARO building in San Jose unless otherwise noted.~~

Name/Signature	Phone	E-mail Address
[illegible]	[redacted]	

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We own an ARO building in San Jose unless otherwise noted.

Name/Signature	Phone	E-mail Address
N S Bathwalla	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
S Moore	[redacted]	[redacted]

(ARO) How is More Regulation Helpful or Harmful?
Summary of Data - Page 1

Impact of Rent Control: Quality of Life Measures compared with Rent Stabilization Policies in California's 11 Rent Controlled Cities
Purpose: Provide relevant information so legacy of your term as a City leader improves the situation for our Renters and our city.

Cities with less strict rent "stabilization" policies have better ratings.
They got it right in 1979. San Jose has the most effective policy looking at quality of life measures. San Jose is Best or 2nd Best in all ratings.
Current ARO Policy protects our diverse population, keeps San Jose safe, and preserves our affordable housing.
The more flexible the banking and allowable increase, the longer rents stay low.
Recommendation copies cities with worse ratings.
Regulations discourage development of new housing which decreases supply of available housing and increases housing costs.
Registry does not stabilize rent or improve quality of life measurements.

Legend:
Yellow Highlights show BEST
Red Lettering shows WORSE

City	Cause Ordinance	CPI	2015 Allowable % Increase	Homeless (2015)	Homeless Rate	Average Cost Rent Controlled Units	Market Rent	% of Income Spent on Rent (2015)	Forbes Safe City Rating (2010)	% Renter Occupied
San Jose	No	No	8%/21%	4063	Decreased 15% past 2 years	$1,306	$2,750	41.50%	2	41%
Los Angeles	Yes	Yes	3.0%	9535	Increased 12% past 2 years	$2,443	$4,650	48.90%	21	59%
San Francisco	Yes	Yes	1.7%	7539	Increasing	$3,096	$5,000	46.70%	29	58%
Sources:	Internet	ARO Study	ARO Study	City's Reports on Internet	City's Reports on Internet	ARO Study, Internet	City's Reports on Internet	CNN	Forbes	USA.com

City	Cause Ordinance	CPI	2015 Allowable % Increase	Rent Registry	Crime Rank	Population Growth
Los Gatos	No	No	5.0%	No	90	5.49%
San Jose	No	No	8%/21%	No	246	10.21%
Beverly Hills	No	No	10.0%	No	255	2.23%
Los Angeles	Yes	Yes	3.0%	Yes	341	4.53%
Santa Monica	No	Yes	2.1%	Yes	344	8.96%
Hayward	Yes	No	5.0%	Yes	381	6.83%
West Hollywood	No	Yes	2.1%	Yes	423	-1.86%
East Palo Alto	Yes	Yes	2.2%	Yes	433	-1.99%
San Francisco	Yes	Yes	1.7%	Yes	434	6.74%
Berkeley	Yes	Yes	1.8%	Yes	435	12.60%
Oakland	Yes	Yes	2.8%	Yes	460	0.71%
Sources:	Internet	ARO Study	ARO Study	City's Websites	USA.com	USA.com

Worst Cities for Renters (Forbes)
Does Rent Control Really Work?
5 Worst Cities Have Rent Control.
4 Worst Have a Cause Ordinance.
Economists say it hurts the poor the most.

City	Rank	City Size (SMSA)
San Francisco	1	#11
Oakland	2	#11
San Jose	3	#31
Manhattan	4	#1
Los Angeles	5	#2

Source: SMSA 2010

A DATA-DRIVEN "SMART CITY" RELIES ON THE DATA

Information Provided in *How is More Regulation Helpful or Harmful?*

(ARO) How is More Regulation Helpful or Harmful?

Summary of Data - Page 2

Impact of Announcement to Pending Changes to ARO

Any Cause ordinance & increase limits will accelerate gentrification.
Negative consequences of changes being possible:

Vacancy Rate More than Doubled

Most of us put our Renters first.
Announcement increased displacement for Owners' business survival.

Year	Vacancy Rate	Sources
2014	2.90%	Dept. of Numbers
8/31/2015 - San Jose Inside Announces Pending Changes		
Q3 2015	6.30%	City of San Jose

Multi-unit Sales Declined by 61%

Restrictions will reduce market value, and, therefore, property tax revenue.

Time Frame	# Sold	# Sold/Quarter
1/1 to 8/31/2015	181	68
8/31/2015 - San Jose Inside Announces Pending Changes		
9/1 to 12/31/2015	46	46
1/1/2016 to 3/31	28	28

Source: MLS

What's Fair?

It's more fair to limit rent increases when an ARO rent is at market rent.
Otherwise, you penalize affordable housing providers who keep rents low.
And, motivate faster rent increases.
City Pension is Guaranteed at 7.5% after expenses by taxpayers.
It's not fair to lower allowable increases to below cost increases.

Legend:
Yellow Highlights show BEST
Red Lettering shows WORSE

San Jose's Rents

ARO Rents 47% of market rents.

Description	# of ARO Units Built before 1980, 3+ Units	All Other Rentals	ARO Rent as % of Non-ARO Rent
# Units	44,300	77,700	
Market Rent	$2,150	$2,750	78%
Average Rent	$1,306	$1,502	87%

Sources: ARO Study Revised. Source: $2,750 City of San Jose

ARO Rent Increase as % of Minimum Wage Increase

Small affordability difference for Renter. Big impact on Provider.
At 5% Cap, 50% of 4 Plex Owners Couldn't Cover Cost Increases.

% Allowable Increase	$ Increase on 2 Bed- room Unit	Rent Incease as a % of Wage Increase for 2 People	Minimum Wage as a % of Average ARO Rent
Current 8%	$120	50%	44%
Proposed 2.5%	$37	15%	42%

Sources: ARO Study, City of San Jose & New Minimum Wage Law

CPI / Wage Increase Comparison Next 7 Years

Minimum Wage Increase are7.4 Times CPI Increases.

CPI vs Wage	Year 1	7 Years
CPI	$33	$229
Minimum Wage	$242	$1,692
CPI / Minimum Wage	7.4	7.4

Source: Internet

ARO Renters Not Complaining

1 in 1,000 Chance ARO Renter if:
Rent Increases More than $105
Evicted for Rent Increase
Houses not in ARO.

Provided by Roberta Moore, April 18, 2016. ARO Advisory Council Stakeholder & 4 Plex Owner. 38 Years Experience in Research & Real Estate.
408.425.5611. Roberta@qualitativemarketing.com

Cost-Effective & Balanced Suggestions

Affordable Housing Providers and Renter Advocates made the following suggestions at the ARO Advisory Council unless noted in italics:

Changes to Policy (Allowable Rent Increases)

1. Give Renters 60 days after Termination of Tenancy and move out to file a claim against the Affordable Housing Providers.
2. *Any changes to allowable increase only on units already at market rent.* Banking keeps rents lower longer because Affordable Housing Providers don't feel pressured to raise rents.
3. Simplify the Capital Service Pass Through to allow for and encourage improvement and maintenance. *Allow receipts for approval and a seamless, easy process for a capital pass-through that do not exceed*
4. Remove the Housing Department's right to reduce rents when there is any type of pass through.

Improvements to Operations (Education, Identification, & Enforcement)

1. Immediately bring back Project Blossom to educate Affordable Housing Providers on best practices and offer recognition for those who have "graduated" from the Project Blossom Program to showcase their commitment to offering quality housing for San Jose residents.
2. Establish a multi-lingual Ombudsman program with volunteers, like the Santa Clara County Association of Realtors to review all cases. This will allow responsible Renters and Affordable Housing Providers to understand each other and come to an amiable resolution whenever it is possible.
3. Work with Affordable Housing Providers Renter Advocate groups and Code Enforcement to identify potentially irresponsible Affordable Housing Providers. If there is an irresponsible Rental Provider and education or the Ombudsman program doesn't solve it, then initiate proceedings.
4. *Create a San Jose Housing Department ARO Advisory Group comprised of two ARO renters, two ARO owners/managers, one advocate for owners, one advocate for renters to advise the Housing Department on rental issues, discuss programs, and be a body of experts to offer input on polices, programs, and implementation. This will ensure fairness and compensate for the Housing Department's ideological pro-Renter bias.*

ARO How is More Regulation Helpful or Harmful?

Purpose

The purpose of this report is to provide verifiable proof that:

1. The Economic impact and unintended consequences of Rent Stabilization policies in the 11 California cities offering it must be considered to identify the best solutions.
2. The City of San Jose's Housing Department's recommended changes to ARO Policy will have a negative impact on San Jose's Renters and the City.

The report also includes cost-effective suggestions for changes to ARO policy and operations to improve the quality of life for San Jose's Renters.

Note: The Housing Department has not provided this information. Sources, where not already included, are available upon request. Contact Roberta Moore, 408.425.5611 or Roberta@qualitativemarketing.com

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Appeal to City Council

Many of us remember what it was like to not have enough money. That's why we have compassion for the low-income renters we serve. We bought a small building and work other jobs to support it for that dream of retiring with a "pension". We value stability and people over maximizing short-term returns. The Housing Department's recommendation will force us to make business decisions detrimental to our Renters we would not normally make.

- How many Affordable Housing Providers will it force out of business?
- How many affordable housing units will be destroyed?

Unanswered Questions

While many unanswered questions remain, the Housing Department never answered the most important questions. They are:

1. *What's the impact of Rent Stabilization in terms of measureable benefits and unintended consequences?*
2. *How does their Recommendation protect a "fair return" given the risk involved?*
3. *What ARO data justifies the complexity, cost, and bureaucracy of their Recommendation?*

Ideological Approach

Any one who takes the time to look at the information (Business Model, Rents, Vacancies, Expenses, Impact of Rent Stabilization) specific to ARO rentals quickly realizes the Housing Departments' proposed changes to ARO Policy is bad for San Jose.

We trust the council will be more rational than ideological when looking at this policy and look at all of the data not just stories from non-ARO Renters and financial data from non-ARO buildings as the Housing Department did.

We are the Solution. Not the Problem.

We care for our renters, work hard to provide for them, and have invested in San Jose. We deserve to cover our costs and get a return as dictated by the market for these types of buildings. ARO buildings are older and rents will always be below the market rents of the new buildings.

ARO How is More Regulation Helpful or Harmful?

As a council member said to us *"You are the solution not the problem."* We are the most cost-effective providers of affordable housing. We contribute to our share of the cost of city services. Our units are already built.

Please don't make our wonderful city like Los Angeles and San Francisco. Please help us stay in business instead of forcing us out of San Jose.

It is unfair for the City to force us small mom and pops to shoulder the burden of society's housing problems. Please don't make us choose between the survival of our small businesses and the renters whom we have compassion for and work to serve.

Pressure on City Councils & Why Rent Stabilization Hurts

Please watch the following 5-minute Video by Prager University:

https://www.youtube.com/watch?v=oJvTTGOHFkU

Be A Data-Driven "Smart City" Now

Five Bay Area City Councils recently voted against Rent Stabilization because of economic impact and unintended consequences. After looking at the quality of life data, it's easy to understand why even the most liberal of economists say rent control doesn't work and hurts the poor the most.

Most Councilmembers have said the Housing Department's Recommendation is unfair and/or won't work. Here are our requests:

1. Stand up to political pressure (in large part created by the Housing Department's media reporting of Market rents of $2,750 which they know are two times ARO Rents of $1,306).
2. Protect the quality of life for our city by weeding out stories from non-ARO renters. A review of the data shows ARO Renters aren't complaining. Listen carefully. Are the people complaining the ones who actually LIVE in ARO units? Evictions to increase rents and rent increases of more than $170 per month are not likely ARO Renters. If they were, the city could fine the Affordable Housing Providers three times rent.
3. Answer the Questions. Read this report for more information. It has verifiable data about the impact of Rent Stabilization, challenges with the Housing Department's Recommendation, and includes alternative suggestions shared by Renters and Affordable Housing Providers during the ARO Advisory Council meetings.

Cost-Effective & Balanced Suggestions

Affordable Housing Providers and Renter Advocates made the following suggestions at the ARO Advisory Council unless noted in italics:

Changes to Policy (Allowable Rent Increases)

1. Give Renters 120 days after Termination of Tenancy and move out to file a claim against the Affordable Housing Providers.
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4. Remove the Housing Department's right to reduce rents when there is any type of pass through.

Improvements to Operations (Education, Identification, & Enforcement)

1. Immediately bring back Project Blossom to educate Affordable Housing Providers on best practices and offer recognition for those who have "graduated" from the Project Blossom Program to showcase their commitment to offering quality housing for San Jose residents.
2. Establish a multi-lingual Ombudsman program with volunteers, like the Santa Clara County Association of Realtors to review all cases. This will allow responsible Renters and Affordable Housing Providers to understand each other and come to an amiable resolution whenever it is possible.
3. Work with Affordable Housing Providers Renter Advocate groups and Code Enforcement to identify potentially irresponsible Affordable Housing Providers. If there is an irresponsible Rental Provider and education or the Ombudsman program doesn't solve it, then initiate proceedings.
4. *Create a San Jose Housing Department ARO Advisory Group comprised of two ARO renters, two ARO owners/managers, one advocate for owners, one advocate for renters to advise the Housing Department on rental issues, discuss programs, and be a body of experts to offer input on polices, programs, and implementation. This will ensure fairness and compensate for the Housing Department's ideological pro-Renter bias.*

Impact of Rent Stabilization

San Jose has the best measures of all cities with Rent Stabilization when considering quality of life issues with few exceptions. Looking at the following 4 diagrams, it's easy to see the causal relationship between Rent Stabilization policies and quality of life rankings. Our better rankings are because San Jose has the most balanced Rent Stabilization policies.

Safety & Crime

City	Cause Ordinance	CPI	2015 Allowable % Increase	Crime Rank	Forbes Safe City Rating (2010)
San Jose*			8%/21%	246	2
Beverly Hills*			10.0%	255	
Los Gatos*			5.0%	90	
Hayward	Yes		5.0%	381	
Los Angeles	Yes	Yes	3.0%	341	21
Oakland	Yes	Yes	2.8%	460	
East Palo Alto	Yes	Yes	2.2%	433	
Santa Monica		Yes	2.1%	344	
West Hollywood		Yes	2.1%	423	
Berkeley	Yes	Yes	1.8%	435	
San Francisco	Yes	Yes	1.7%	434	29
Source	Internet	ARO Study	ARO Study	USA.com	Forbes

**No Registry. Key: Yellow-highlighted Best. Red Lettering = Worse.*

Analysis

- Those with the best rankings don't have a Registry.
- With any type of cause eviction, scary drug dealers can dominate. Hence, there is an increase in crime and reduction in Safety.
- 5 of the 10 most dangerous Bay Area cities have a Cause ordinance. It is because any type of Cause ordinance protects the dangerous criminals who account for 90% of the violent crime. Source: Office of the Attorney General, FBI Violent Crimes per 1,000 Residents 2013 via SF Gate.

ARO How is More Regulation Helpful or Harmful?

Affordability

City	Cause Ordinance	CPI	2015 Allowable % Increase	% Of Income Spent on Rent	Average Cost Rent Controlled Units	Market Rent
San Jose			8%/21%	41.50%	$1,306	$2,750
Los Angeles	Yes	Yes	3.0%	48.90%	$2,443	$4,650
San Francisco	Yes	Yes	1.7%	46.70%	$3,096	$5,000
Source (2105)	Internet	ARO Study	ARO Study	CNN	ARO Study, Internet	City of San Jose, Internet

Key: Yellow-highlighted Best. Red Lettering = Worse.

Rent in Bay Area Cities

	City	1Bed	2Bed	Rent Stabilization
1	San Francisco	$3,096	$4,126	Strict 1.7%
2	Oakland	$2,986	$3,763	Strict 2.8%
3	Berkeley	$2,813	$3,393	Strict 1.8%
4	Redwood City	$2,670	$3,482	None
5	San Mateo	$2,663	$3,328	None
6	Palo Alto	$2,561	$3,320	None
7	Mountain View	$2,446	$3,114	None
8	Cupertino	$2,439	$3,097	None
9	Santa Clara	$2,399	$3,024	None
10	San Jose	$2,362	$2,960	8%/21%
11	Hayward	$1,913	$2,186	5%

Key: Yellow-highlighted Best. Red Lettering = Worst.
Source: Rent Jungle as of 02/2016

Analysis

- San Jose is the safest city with the lowest % of income spent on rent.
- At $1,306, average ARO rents are less than half of market rents.
- San Jose is one of the most affordable cities that have a Rent Stabilization program.

ARO How is More Regulation Helpful or Harmful?

Homelessness

City	Cause Ordinance	CPI	2015 Allowable % Increase	Homeless (2015)	Homeless Rate
San Jose			8%/21%	4063	Decreased 15% past 2 years.
Los Angeles	Yes	Yes	3.0%	9535	Increased 12% 2 years in a row
San Francisco	Yes	Yes	1.7%	7539	Increasing
Source	Internet	ARO Study	ARO Study	City's Reports, Internet	City's Reports, Internet

Key: Yellow-highlighted Best. Red Lettering = Worse.

Analysis

- The stricter the Rent Stabilization policy, the more there is a homeless population.
- Read the next page about vacancy rate after announcement of San Jose's pending changes to rent control policy, to understand the impact of strict Rent Stabilization on homelessness.

Worst Cities for Renters

Does Rent Stabilization really work?

According to Forbes, the top 5 worst cities for Renters have Rent Control. Four of these have a Cause eviction ordinance. The cities in order are:

1. San Francisco
2. Oakland
3. San Jose
4. Manhattan
5. Los Angeles

Affect of Changes after ARO Announced

Despite a housing shortage, just a hint of changes to Rent Stabilization finds vacancy rate increasing and sale of multi-unit buildings decreasing. Why?

Affordable Housing Providers won't risk renting to problem renters. Investors won't risk buying when forced to operate without a profit. This will lead to redevelopment and a reduction of affordable housing. This result will be hardest on the poor, most if not all of who already enjoy below market rents.

Even the most liberal of economists agree that government price controls exacerbate the very problem they intended to solve and most hurt the poor. Note: 80% of ARO units are rented AND owned by minorities.

There is evidence that vacancy rates have increased and sales of multi-unit buildings started declining August 31st when San Jose Inside breaks news that San Jose Aims to Change Rent Stabilization by 2016:

http://www.sanjoseinside.com/2015/08/31/san-jose-aims-for-new-rent-control-ordinance-by-2016/

Vacancy Rate More than Doubled

Year	Vacancy Rate	Source
2014	2.90%	Dept. of Numbers
Q3 2015	6.30%	City of San Jose

Key: Red Lettering = Worse.

Analysis

- The only thing worse than a vacancy is having a problem renter that scares away the other renters or damages the property.
- With this substantial of a vacancy increase during a housing crisis, it's safe to assume that Owners are preemptively guarding against the proposed ARO changes by evicting problem renters and getting more diligent in their screening practices.
- These protective actions will accelerate gentrification, increase homelessness, and reduce affordable housing more quickly.

ARO How is More Regulation Helpful or Harmful?

Multi-unit Sales Declined by 61%

Informed Investors aren't buying in San Jose. MLS data clearly shows a decline in the sale of multi-unit buildings in San Jose, as follows:

Time Frame	# Sold	# Sold/Quarter
1/1 to 8/31/2015	181	68
8/31/2015 -	Announcement	Announcement
9/1 to 12/31/2015	46	46
1/1/2016 to 3/31	28	28

Sources: MLS *Key: Red Lettering = Worse.*

Analysis

- Decrease in demand forces a decrease in market value for those who must sell. If resale must be based on current rents, the drop will be dramatic.
- This will result in a long-term reduction in needed property tax revenue even if changes are made to ARO policy and later fixed.
- As prices drop, the City's one-time transfer tax and annual property tax will also drop. The impact on City's revenue will be a decrease of more than $7.8 Million in property tax revenue. This could build a lot affordable housing. Here are the supporting numbers given current data available:
  - 50% of San Jose's 2,504 4-plexes won't be able to cover cost increases and will eventually sell. (Source: ARO 4-Plex Owner Survey, ARO Study)
  - If $1.5 Million 4-plex drops to $ 1 Million, the annual property taxes will decrease by $6,250 per year.
- Even if redeveloped, the high-density redevelopment of ARO units will decrease funds for city services, as the taxes collected don't cover the cost of city services needed. (Source: Beacon Economics)

Housing Department's Recommendation

The consequences of the City of San Jose Housing Department's Recommendation are many. The following highlights these negative consequences and problems:

A Sledgehammer isn't Needed to Hang a Family Photo

The stories about skyrocketing rent and single moms getting evicted are heart wrenching. If you listen closely and understand the ARO policy, you quickly realize most do not live in ARO units. Despite skyrocketing rents, average rents in San Jose's ARO units are $1,306 and Termination of Tenancy's reported average 28 per year, resulting in 22 or less hearings per year.

The Housing Department is using the housing crisis as an opportunity to build staff when it won't improve the situation. The proposed changes won't reduce market rents and won't help the people whose stories are being reported.

Rent control will stabilize rents for 11% of San Jose's renters. Until the REIT and developers bulldoze the affordable housing because the small mom and pops were pushed out of San Jose. Then the availability of housing will decline even more.

Unintended Consequences

The Housing Department's recommendation negatively impacts the quality of life for all of San Jose's residents. These are the unintended consequences reported at the ARO Advisory Council Meeting when the Housing Department discussed changes to ARO Policy:

1. Accelerates Gentrification
2. Increases Displacement of Minorities and Low-income Renters
3. Increases Homelessness and Vacancy Rate
4. Increases Crime (Especially in Low-income Neighborhoods)
5. Increases Need for Social Services for Renters & Owners
6. Hurts Poor the Most
7. Reduces Value and Sale of Multi-unit Properties
8. Makes San Jose Unfriendly to Small Business and Minorities
9. Reduces Affordable Housing Available
10. Unfairly Burdens ARO Owners
11. Reduces Vital Property Tax Revenue & Funds for City Services
12. Increases Market Rents
13. Adds Expensive, Complex, and Unnecessary Bureaucracy
14. Isn't Fair Especially to Small Mom and Pop ARO Owners

ARO How is More Regulation Helpful or Harmful?

Specific Challenges

There are too many problems with the Housing Department's Recommendation to comment. It's so complex, it will need constant "tweaking" like San Francisco. A Housing Department representative confirmed this when he said that, *it can be tweaked as needed.*

Bad Renters and Owners both know how to "game" the system. The Housing Departments' Recommendations increase chances of both groups gaming the system.

Rent Control is only in 11 of California's 1,541 Cities. There is nothing standard about it. Here are several specific challenges:

- Eliminating the Debt-Service Pass Through discourages sale of ARO properties with below market rents at fair market value. This unfairly penalizes those who have kept their rents low. In response, Affordable Housing Providers will either increase rents more than Renters and Owners want or there will be a reduction in the City's property tax revenues.
- An Anti Retaliatory provision is not needed. Retaliatory Eviction Civil Code 1942.2 already protects tenancy rights. It creates a "Cause" ordinance for 2 years that will protect the dangerous Renters who account for 90% of the violent crime in San Jose and know how to "game" the system.
- Vacancies are costly. Rental Providers avoid them as much as possible. Smart Rental Providers know that a long-term Renter at a lower rent is better than turnover.
- Lowering allowable increases makes it so almost 1/3 of building owners can't cover their cost increases. As net income declines, first employees and contractors will be let go, then maintenance and repairs are shaved and a slow decline becomes evident. Ex: Housing in Berkeley.
- Average rent in an ARO Unit is $1,306. Average CPI increase is 2.5%. This allows for a $32.65 monthly increase in rent. With this, it would take 2 years to cover the cost of replacing a water heater.
- With many ARO units renting for $1,000 per month, 21% can be a fair increase.

The City of San Jose reportedly favors Renters in most proceedings. They have been reported to be too arbitrary and too biased even against the responsible Owners. There needs to be a balance with Renters and Affordable Housing Providers when evaluating the circumstances.

Isn't Fair or Balanced

This Recommendation punishes the people who have kept rents low. Especially those currently retired who are selling for long-term care or assisted living. A Cap on Rent Increase of 5% would make it so 50% could not increase rent to cover the increase in operating expenses. (Source: ARO 4-plex Owner Survey)

The financial risk of owning a building is greater than the requirements of a minimum wage job. Yet, the Housing Department wants to limit the allowable increase to a fraction of the minimum wage increase and their 7.5% pension guarantee after expenses. Will you cap the ROI on your pension at less than 7.5% before expenses? If not, please don't ask us to do this!

Minimum Wage Increases

Some justify the recommendation because minimum wage workers can't afford housing.

Average Increase per Year

Year	2 BR ARO Unit CPI 2.5%	2 Minimum Wage Earners = $10.15 / Hr 50% Increase by 2023
2014	$1,306	
2015	$1,356	
Start	$1,407	$3,383
2016	$35	$242
2017	$36	$242
2018	$37	$242
2019	$38	$242
2020	$39	$242
2021	$40	$242
2022	$41	$242
2023	$42	$242
Increase	$307	$1,933
Total	$1,714	$5,317

*Source: * ARO Study. ** Assumes average increase per year reported in ARO Study*

Analysis

- Minimum wage increase ($242/month for 2 income household) is 7.4 times greater than the CPI increase ($35 per month for 2 bedroom unit) would be.
- Contrary to claims, there is money to cover the rent increase. At 8%, a rent increase of $120 per month is 50% of the annual minimum wage increase.

ARO How is More Regulation Helpful or Harmful?

Defies Rules of Business

Any viable business, charges clients for the cost of doing business and allows for a profit margin in return for providing a service. The higher the risk the higher the return needed to invest. Affordable housing providers are no different. Singling out one group of small business Affordable Housing Providers (mostly mom and pops who are minorities) in one industry to not operate under the normal rules of business, because 10 other California cities have done it, doesn't make it good for San Jose.

The Housing Department's Recommendation defies the basic principles of business. It will force many to operate at a lost. It will increase the risk and lower the return. The Recommendation is hardest on the mom and pops who own most of the ARO units, keep rents very low, and weren't included in the ARO Study. Sales of these ARO units to large corporations (REITS and developers) are ultimately inevitable.

Adds Complex and Unnecessary Bureaucracy

A Registry is an expensive solution that won't solve the problem. The cities that are the most dangerous and expensive have a Registry. It is a violation of Renters' privacy: especially undocumented residents. It's expensive to implement and not needed.

Here is what Tenant Advocate Stakeholders said about it at the March 16th meeting when the Housing Department shared their recommendation:

- Eloise: *This is like the mafia; pay and we'll protect you.*
- Elisha: *We don't need this. There are better ways to find the bad landlords. Work with the non-profits.*

The Housing Department feels they need to be compensated for Registry but there is no consideration of the cost of the Owner to provide and continue to update such a "Big Brother " intrusive request to watch over our business. It is an extremely time consuming and costly process that isn't needed given the potential benefits.

The MNOI formula is so complex; it's hard for the Housing Department to explain it. It will take accountants and financial analysts to figure out how much to increase rent. When the reality is Renters set the rent they are willing to pay. Rent will only be stabilized for 11% of San Jose's Renters. (Source: ARO Study)

ARO How is More Regulation Helpful or Harmful?

Lacks Justification

The bureaucracy and red tape are not justified given they report most Affordable Housing Providers are "good actors" and the number of ARO complaints (156) and hearings (22) are minimal each year. City already has staff for 59 hours per Renter complaint each year.

After 6 months of being on the Advisory Council and researching the impact of Rent Stabilization, it's hard not to make the conclusion that the following was the Housing Department's goal all along when you answer the question: What would someone do if they wanted to justify hiring 30 FTE?

1. Copy the cities with the programs that need the most staff (i.e., add complex formulas and a registry.)
2. Not look at the impact of Rent Stabilization in the 11 cities that offer it.
3. Use data from buildings not under Rent Stabilization that were built after 1980 and have 50 units or more to justify that it will work.
4. Reject owners offer to share their data. When challenged, look at data for 1 building owner and then say CPI works 4 out of 5 years.
5. Continue to foster political pressure by reporting market rents of $2,750 to the media when they know average ARO rents are only $1,306.
6. Not report the unintended consequences of changes to the ARO Policy.
7. Make getting a fair return for the 90.6% of building owners with smaller units too complicated to figure out.

The Housing Department ignored hundreds of hours of input from Affordable Housing Providers who spoke about how the current allowable rent increase allows them to maintain their units and stay in business while keeping rents as low and stable as possible for as long as possible.

If Housing's entire case is based on rental abuse, why did they reject our offer for data and why didn't they conduct their own survey? With $250,000, they had enough budget and contact information to get it.

Relies on Non-ARO Data

Very little of the ARO Study is relevant to the discussion. The financial data reported in the ARO Study is based on information from non-ARO buildings that were built after 1980 (with significantly less maintenance required) and had 50+ units (more economies of scale so expenses are a smaller % of rent). Source ARO Study page 128.

ARO How is More Regulation Helpful or Harmful?

Protects Bad Renters at Expense of Good Renters

There are natural consequences for not following the rules. Losing a rental is one of them. Lack of police and Renters' "no tell" culture requires that Affordable Housing Providers have a "No Cause" eviction for those who don't follow the rules. Otherwise, the dangerous Renters are protected.

Any form of Cause ordinance invalidates the lease. Only 6 California Cities have a form of Cause. Eviction. They are among the most dangerous. The correlation is easy to make. If you can't evict a dangerous renter, the city gets more dangerous.

Developers and REITs can hire the private investigators and attorneys a Cause Termination policy would require. Small investors cannot. This is why cities with a "Cause" ordinance are so dangerous yet rents are skyrocketing.

Instead, make changes that focus on dealing with the bad Rental Providers AND bad Renters for the safety of San Jose. Keeping the No Cause Termination policy intact will allow Providers to offer safe and affordable housing to the responsible Renters by letting them evict the dangerous ones.

Increases Displacement of Renters

The most liberal of economists say Rent Control is the hardest on the poor. This is because it impacts every quality of life measure from homelessness to crime and affordability. People in affordable housing are most vulnerable.

The Housing Department's Recommendation will displace more renters than the bad landlords ever could. It stabilizes rent for only 11% of San Jose's Renters with or without their changes. Yet, it paves the way for developers to buy ARO units at reduced market value. This will accelerate gentrification of San Jose and will also displace small mom and pop owners.

From: Robert Allen Fisk <[redacted]>
Sent: Monday, April 18, 2016 6:37 PM
To: City Clerk
Subject: Apartment Rent Ordinance - VOTE FOR RENTERS

Dear City Clerk

I URGE YOU TO VOTE FOR THE STRONGEST RENTERS' PROTECTIONS POSSIBLE.

This includes (1)protections against evictions (Just Cause), (2) keeping rents low (75% of CPI) on rent controlled apartments, and (3)ending source of income discrimination against Section 8 voucher holders (SB1053).

Do what East Palo Alto City Council did today and adopt a resolution in support of SB1053.

I think you can at least come to a consensus on (1) and (3); it is fair and reasonable to do.

East Palo Alto has protected renters since 1983. Now do what is right for San Jose and protect your renters too!

Yours truly
Robert Allen Fisk
East Palo Alto
Planning Commissioner, current
Rent Stabilization Board (2002-20012)

Robert Allen Fisk
[redacted]
East Palo Alto, CA 94303

From: BAHN [redacted]
Sent: Monday, April 18, 2016 9:10 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: Fwd: San Jose ARO

BAHN forwarding from one ARO housing provider in San Jose

Begin forwarded message:

From: [redacted]
Date: April 18, 2016 at 8:20:16 AM PDT
To: [redacted]
Subject: Fwd: San Jose ARO

To: BAHN
I tried to sent this email to the san jose city council and the mayors office but I am unsuccessful in doing it. Will you please forward this to the appropriate
office? I live in district 10.
Thank you!

Subject: San Jose ARO

I am an owner of 24 units in San Jose where I charge an average of $867/mo for 1 bdrm and $757/mo for studio
and a mean rent even lower at $860 and $750 respectively. I wonder how many of the ARO owners have been contacted by the consultant
to get a percentage of those whose rental charges are much lower that those published. I for one have not been contacted.
Is the city willing to give concessions to those apt. owners whose rents are below the market?

The older buildings for rentals, in my opinion, serve to help the underprivileged with lower income find housing in the San Jose's high rental arena.
Otherwise the housing shortage would be worse. The older buildings are the most affordable rents to the underprivileged because they would not be
able to rent from the non rental controlled units. Since their income is low it is natural to hear rental complaints from the underprivileged.
I feel the outrage of being trampled by those who are greedy and by the corporate rental unit owners, some of them nationally, who may be dictating
the rental business through their financial resources which the so called "Mom and Pop" owners cannot compete.
The owners of the units under ARO would like to have their units filled since this is their
financial resources during their retirement years.
It is also to the best interest to keep the harmony with illegal free activities amongst the tenants.

ARO is highly discriminatory since it targets the units serving the lower income tenants. If there is ordinance to control rents then it should apply to ALL

rental units. The higher rents are driven by the corporate rental owners who have no restrictions placed on them. I wonder if the roles were reversed
would San Jose be willing to fight the financial and legal court battle with the corporations to place them under rental control?

I also feel that the tiered permit charges are unethical and unconstitutional since the increased permit charges are carried through until the
next inspection cycle even though the violations have been corrected. The codes themselves are discriminatory since some do not have any bearing on the health and safety of the tenants other than cosmetic. Again these codes probably dictated by the high rental unit owners.

In the last 30 years I had to evict 3 tenants through unlawful detainer. Six were given notice through non compliance to rental agreement.
The city is acting like rental business is a crime and more and more controls are needed to contain the criminals.

Please give the "mom and pop" owners the right to manage their property rather than managed by the city.
Please grant the "Mom and Pop" owners fair and equitable treatment rather than conferring them to the privileged corporate and wealthy owners.

Respectfully,

Seigi Tadokoro
[redacted]

From: Kristine Kristine [redacted]
Sent: Monday, April 18, 2016 10:12 PM
To: The Office of Mayor Sam Liccardo; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Herrera, Rose; Rocha, Donald; City Clerk
Subject: About RC in san jose

Dear Mayor and Councilmembers:

As a Housing Provider near San Jose, I want to voice my opposition to the recommendations by the Housing Department on changes to the Apartment Rent Ordinance (ARO). As a responsible housing provider, I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the tenants.

Under the proposed recommendations, the reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older stock of ARO housing. The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses we as housing providers face on an annual basis. And the increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.

As a Housing Provider, the solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

Sincerely,
Kristin

From: Melissa Morris [redacted]>
Sent: Monday, April 18, 2016 10:28 PM
To: The Office of Mayor Sam Liccardo; District1; District2; District3; District4; District5; Oliverio, Pierluigi; District7; Herrera, Rose; District9; District 10; City Clerk; Morales-Ferrand, Jacky; Chen, Wayne; Grabowski, Ann
Subject: Updated Coalition Letter Regarding Renters' Rights

Dear Mayor and City Councilmembers,

Please find attached an updated version of the renters' rights coalition letter that was delivered to Council last week. The 41 signatories to this letter include non-profit service agencies, student groups, advocacy organizations, committees of tenants, and faith communities. This diverse group of organizations supports strong protections for renters, including a rent control policy that is linked to the rate of inflation and just cause eviction protections. We hope that, when Council votes tomorrow, it will vote in favor of protecting San Jose families from unaffordable rent increases and displacement.

Many thanks,

Melissa A. Morris | Senior Attorney
Public Interest Law Firm
melissam@lawfoundation.org | p [redacted]

Law Foundation OF SILICON VALLEY
Advancing Justice in Silicon Valley

[redacted]
San Jose, California 95112
www.lawfoundation.org

Notice: This communication, including attachments, may contain information that is confidential and protected by the attorney/client or other privileges. It constitutes non-public information intended to be conveyed only to the designated recipient(s). If you are not the intended recipient of this communication (or an employee or agent of the intended recipient who is responsible for delivering it to the intended recipient), or if you believe that you have received this communication in error, please notify the sender immediately by return e-mail and promptly delete this e-mail, including any attachments, without reading or saving them in any manner. The unauthorized use, dissemination, distribution, or reproduction of this e-mail, including attachments, is prohibited and may be unlawful. Receipt by anyone other than the intended recipient(s) is not a waiver of any attorney/client or other privilege.

April 18, 2016

VIA E-MAIL ONLY.

Honorable Mayor Liccardo and Members of the City Council
City of San Jose
200 East Santa Clara Street, 18th Floor
San Jose, CA 95113

Re: Modifications to the Apartment Rent Ordinance
Item 4.1 (April 19, 2016)
Updated With Additional Signatories

Dear Mayor Liccardo, Vice-Mayor Herrera, and Councilmembers Jones, Kalra, Peralez, Nguyen, Carrasco, Oliverio, Nguyen, Rocha, and Khamis:

San Jose is in the midst of a rental housing crisis. Rents are unaffordable to all but the wealthiest members of our community and are increasing at rates that far outstrip the ability of low- and moderate-income renters to afford them. Average asking rent for a two-bedroom apartment is $2750, meaning that families must earn $110,000/year just to afford a place to live. In contrast, workers in many occupational categories make under $60,000/year in Silicon Valley.

Living through this housing crisis causes needless suffering, overcrowding, stress, code violations, family instability and displacement. Seniors, people with mental and physical disabilities, and the working poor can find themselves forced out of their homes—and often out of Silicon Valley altogether—by exorbitant rent increases and unfair evictions. The tenants displaced by this crisis are the workers who drive our economy, the students who attend our schools, and the neighbors who make our community strong.

The City's own consultant's report finds that San Jose's existing Apartment Rent Ordinance (ARO) is ineffective at stabilizing rents, and tenants in ARO units overpay for housing and live in overcrowded conditions at even greater rates than tenants in non-ARO rental housing. **We need strong rent control and just cause eviction protections now to prevent the further destabilization of our neighborhoods, damage to our workforce, and loss of our community's economic and racial diversity.**

We call on the City of San Jose to adopt changes to the ARO that include:

- Annual allowable rent increases tied to the annual change in the Consumer Price Index (CPI). Specifically, the ARO should allow annual increases of 75% of the annual change in CPI-U, with a floor of 0% and a ceiling of 5%. (Subject to reasonable adjustments.)
- A prohibition against no-cause evictions.

- An ordinance prohibiting retaliation against tenants, with meaningful penalties for landlords who violate the ordinance.
- Expansion of the number of units covered by the ARO through Inclusion of duplexes.
- A robust, fully staffed program within the City of San Jose to enforce the above policies, including a rent registry.

Strengthening San Jose's rent ordinance, as we are proposing, is a cost effective solution that will stabilize rents and tenancies for tens of thousands of low- and moderate-income tenants, and promote the stability of our neighborhoods. We urge the City Council to act now to pass these critical changes to the Apartment Rent Ordinance.

Sincerely,

Affordable Housing Network of Santa Clara County

Aging Services Collaborative of Santa Clara County

Amigos de Guadalupe

Asian Law Alliance

Causa Justa:Just Cause

CHAM Deliverance Ministry

Coalition for Justice and Accountability

DeAnza Students for Renters' Rights

EMQ FamiliesFirst

Grail Family Services

HomeFirst

H.O.M.E.L.E.S.S.

Housing Choices Coalition

Homeowners Organized to Maintain Equity (H.O.M.E.)

The Interfaith Council on Economics and Justice

Law Foundation of Silicon Valley

Low-Income Self-Help Center

N.A.A.C.P. San Jose Chapter

Next Door Solutions to Domestic Violence

People Acting in Community Together (PACT)

Public Advocates

Public Interest Law Project

Sacred Heart Community Service

Sacred Heart Housing Action Coalition

Sacred Heart Renters' Organizing Committee

San Jose State University Human Rights Program

School of Arts and Culture at MHP

SIREN (Services, Immigrant Rights, and Education Network)

Silicon Valley De-Bug

Silicon Valley Council of Nonprofits

Silicon Valley Independent Living Center

Silicon Valley Rising

Somos Mayfair

South Bay Labor Council

South Bay Tenants Union

Step Up Silicon Valley

Tenants Together

UNITE HERE Local 19

United Way Silicon Valley

Urban Habitat

Working Partnerships USA

cc: Ann Grabowski, Department of Housing
Jacky Morales-Ferrand, Department of Housing
City Clerk

From: michael chang <[redacted]
Sent: Monday, April 18, 2016 11:08 PM
To: City Clerk
Subject: VOTE NO to rent control expansion

Dear City Councils,

There is supply and demand market force for the housing supply. We should use this opportunity to create more incentives for people to build more housings, expanding our city economy.

1. City of San Francisco has the rent control and it has the highest rental rate.
2. Rental Control Expansion would make the rental market even more worse.
3. Less affordable rental units.
4. Rental rate would skyrocket further.

Please be the wise city council, guide our city in the right path,VOTE NO for the rent control expansion.

Regards
Michael.

From: Chin Hung Auyeung [redacted]
Sent: Monday, April 18, 2016 11:15 PM
To: City Clerk
Subject: Please support tenants

Dear City Clerk

Dear Mayor and Council,

I am very concerned about the rental situation in San Jose. I support tenant rights at the upcoming vote and I urge you to do the same.

Please vote for:
lowering the rent increase that is allowed, just cause protection against unfair evictions, adding more homes to the rent ordinance, and protecting people with Section 8 vouchers.

Your vote for these protections will make my neighborhood and city better for everyone.

Chin Hung Auyeung
[redacted]
San Jose, CA 95123

From: Yung Ha [redacted]>
Sent: Tuesday, April 19, 2016 12:23 AM
To: City Clerk
Subject: rent control in San Jose

Dear San Jose City Mayor and City Council members

The Mayor and Council members were elected because people believed in them in judgements, vision, and physical policy for the people.

Before you make your decision in vote about rent control, Please read the following points for the city in future.
1. Do you think the rent control tied to CPI solve the the problem we have?
2. Do you like to see the San Jose would have a lot of slum area knowing the investors shall not keep up the properties with CPI rate of investment return?
3. Do you know many property owners were having negative loss during first 4 to 10 years at beginning of investment?
   Did you try to help the investors during these periods?
4. Do you know many property owners did not raise the rent increase or reduced the rent rate to retain the tenants when the economic recession periods?
   Did you try to help the investors during the vacancy rate were high due to economic climate?
5. DO you know that the developers would stay away building the income properties in San Jose knowing the investors will not buy the property with CPI rate
   of return.

Please think over again with a simple common sense.
People would be very disappointed of electing you for running San Jose City.
Property owner at 3854 Barker Dr. San Jose, Ca

From: michael chang[redacted]
Sent: Tuesday, April 19, 2016 1:52 AM
To: City Clerk
Subject: Vote NO to rent control expansion

Dear Councils:

If you can image the future image of San Jose city like the picture illustrated below. You should vote no to rent control. Instead, we should focus on making more units available to our city.

Regards
Michael.

From: James A. Campagna [redacted]
Sent: Tuesday, April 19, 2016 11:25 AM
To: City Clerk
Cc: The Office of Mayor Sam Liccardo
Subject: Vote no on further rent controls

Dear Mayor and Councilmembers:

I want to voice my **opposition** to the recommendations by the Housing Department staff on changes to the Apartment Rent Ordinance. I feel that the recommendations the Housing Department has put forth will not help in providing additional affordable housing, rather it will only hurt the community.

Under the proposed recommendations:

- The reduced cap on rent increases and restrictive capital improvement pass through will lead to the further deterioration and deferred maintenance of the older housing units.
- The elimination of the debt-service pass through will deter any investment in San Jose's housing stock, further reducing the quality of housing in the City. The maintenance of net operating income standard does not take into account the huge increase in the expenses housing providers face on an annual basis.
- The increase of as many as 30 staff positions to monitor the ARO program is a poor use of resources when other City departments are severely understaffed.
- So called "just cause" eviction would make it difficult to remove a tenant causing problems for their neiughbors

The solution to our affordability crisis is to increase supply. I would encourage you and our city leaders to explore ways that would increase our supply not increase burdensome regulations. Please vote to do no harm and reject these onerous proposals.

James Campagna
[redacted]

From: Bhushans@aol.com [mailto[redacted]
Sent: Monday, April 18, 2016 9:28 PM
To: BoardOperations <[redacted]>
Cc: Loquist, Kristina [redacted]>
Subject: Tuesday, April 19th BOS meeting

Dear Clerk of the SCCBOS,

I will be unable to attend the 4/19/16 BOS meeting, and am requesting that you forward this e-mail message to the 9 Supervisors:

It is my understanding that there are 500 affordable units on Winchester Avenue that are being threatened with being torn down to be replaced with 600 higher cost rental units.

San Jose and Silicon Valley are in a housing crisis, homelessness is a major problem; please do not approve the development plan until there are replacement units in place that will have comparable rent.

I stand with the Affordable Housing Network's proposed ordinance that guarantees a one-for-one replacement of every affordable unit removed from the market.

San Jose needs to put the brakes on run-away rental housing costs and its concomitant deteriorating social fabric

The Affordable Housing networks suggestion for affordable replacement units could be accomplished either through permanent affordability restrictions on some of the new units, or by requiring that they be subject to the city's Apartment Rent Ordinance.

Please use your leadership skills to forestall and mitigate this HUGE displacement of low income San Jose residents.

Thank you.

Sincerely,

Cybele LoVuolo-Bhushan

From: C Hale <[redacted]>
Sent: Tuesday, April 19, 2016 11:47 AM
To: The Office of Mayor Sam Liccardo; Herrera, Rose; Jones, Chappie; Kalra, Ash; Peralez, Raul; Nguyen, Manh; Carrasco, Magdalena; Oliverio, Pierluigi; Nguyen, Tam; Rocha, Donald; Khamis, Johnny; City Clerk
Subject: New San Jose Rent Control Proposals

Dear San Jose Leaders,

As a local property owner, landlord and property manager I am extremely concerned regarding recent rent control proposals. The current San Jose rent control policy is a fair balance for all involved.

Personally, most of my rent increases are half of the allowed 8%. I even have a very long term senor tenant of 40yrs whose rent is half of the market value. Adding more complex laws, rules will likely not have the intended effect. A look at our neighbors to the north, San Francisco with very strict rent controls is a complete mess in terms of housing. Tying rent increases to CPI or any other index is a severe limitation on one's ability to maintain and repair a property.

The current housing shortage is a community wide issue. Placing the responsibility and burden unfairly on landlords is not fair or just. Significant personal risk is taken on by property owners both in terms of financial costs and personal time and energy. I have spent 4 weekends this year already working on improving my property for the tenants benefits.

If any changes are made, I implore you to act slowly, responsibly and take in a wide census. Changes almost nearly always have unintended consequences.

Sincerely,
Chad Hale
408.[redacted]
BRE: 01878782

From: [redacted] <[redacted]>
Sent: Tuesday, April 19, 2016 11:45 AM
To: City Clerk
Subject: LEAVE RENT CONTROL ALONE

To Whom It May Concern:
I am a landlord. Please LEAVE RENT CONTROL ALONE. Every year the property tax, insurance increase a lot. Beside that we have to pay for city different kind of permits. Let us survive. Don't kill us.
Khanh Dam
Landlord