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Escalating rents prompt call for council action

By Pippa Fisher



The Second Street apartment property at the center of the rent controversy. Photo Pippa Fisher

Rent review programs are unusual in a small town such as Lafayette but following complaints in August from residents whose rents have been escalating by as much as 20 percent, the Lafayette City Council is examining the pros and cons of just such a program.

In a packed room Sept. 25 the council heard from both renters and landlords with tensions running high as they attempted to determine whether or not to direct city staff to draft a rent review ordinance similar to a program introduced in May of this year in the city of Concord.

Lafayette Planning and Building Services Director Niroop Srivatsa emphasized that this was rent review as opposed to rent control and described it as a non-binding conciliation and mediation process. Staff asked for direction determining the scope of such an ordinance covering complexes with 25 units or more.

Should it be mandatory? Who shoulders the cost of the program, estimated in Concord to be about \$150,000 annually? Should a 10 percent increase in rent be the trigger for mediation? Should such a program in fact apply to all rental properties or just larger complexes?

The council heard from residents who explained that additionally, rent increases are also being dressed up in other guises too and related stories of randomly increased pet fees, parking fees and changes in utility fees that also make living costs unaffordable.

Residents were visibly upset; many were from the same apartment complex on Second Street owned by Tilden Properties.

The council also heard from several landlords, some with just a few units, who explained that since they currently rent at below market value, they would be unfairly penalized. One landlord suggested that ahead of a new ordinance being introduced, he might be forced to raise rent now to the maximum to get in before the ordinance takes effect since being restricted to a 10 percent increase on an already low rent would be punitive.

As several speakers pointed out, despite there being 1,700 rental units in Lafayette, all the complaints that evening were coming from residents of Second Street.

Tilden Properties Representative Ryan Crowley also spoke. He said that his firm is sensitive to Lafayette and pointed out that when the company purchased the 117-unit property on Second Street in December they implemented several long-overdue improvement projects that had been deferred but which, he acknowledged, came at a cost to residents.

The discussion came back to the council between Lafayette City Council Member Cam Burks, Vice Mayor Don Tatzin and Mayor Mike Anderson with Council Members Ivor Samson and Mark Mitchell recused.

Burks was definitive in his view - that while he has sympathy for tenants, he is firmly against government intervention. He added that fiscally such a program presented a risk to the city and to the taxpayers.

Tatzin agreed that in general he doesn't like government interference but said that sometimes the circumstances are warranted to protect residents. He said he could support a program that recovers fees only from those landlords proposing an increase in rent of more than 10 percent. He said that by allowing unmitigated increases he worries they would be signaling residents to move out.

Anderson acknowledged the importance of the question of housing. He reflected that sometimes in intervening "we damage the people we were trying to help," by forcing out small owners with regulatory insertions in their process.

The council asked staff to come back at the first meeting in November with more information on how to structure and what the fiscal options might be for some sort of ordinance whereby a 10 percent increase would trigger mediation to be paid for at that time only by the landlord involved and only applying to units of 25 or more. Staff is also to have further discussions with Tilden Properties to see if an agreement can be reached

Reach the reporter at: pippa@lamorindaweekly.com

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