HOUSING, RESIDENTIAL RENT AND RELOCATION BOARD FULL BOARD SPECIAL MEETING September 14, 2023

6:00 P.M.
CITY HALL, HEARING ROOM # 1
ONE FRANK H. OGAWA PLAZA
OAKLAND, CA 94612

AGENDA

PUBLIC PARTICIPATION

The public may observe or participate in this meeting in many ways.

OBSERVE:

- To observe, the public may view the televised video conference by viewing KTOP channel 10 on Xfinity (Comcast) or ATT Channel 99 and locating City of Oakland KTOP – Channel 10
- To observe the meeting by video conference, please click on the link below: When: Sep 14, 2023 06:00 PM Pacific Time (US and Canada) Please click the link below to join the webinar:

https://us02web.zoom.us/j/82178017868

Or One tap mobile: +16694449171,,82178017868# US, +16699009128, 82178017868# US (San Jose)

Or Telephone: Dial(for higher quality, dial a number based on your current location): +1 669 444 9171 US, +1 669 900 9128 US (San Jose), +1 253 205 0468 US, +1 253 215 8782 US (Tacoma), +1 346 248 7799 US (Houston), +1 719 359 4580 US, +1 689 278 1000 US, +1 301 715 8592 US (Washington DC), +1 305 224 1968 US, +1 309 205 3325 US, +1 312 626 6799 US (Chicago), +1 360 209 5623 US, +1 386 347 5053 US, +1 507 473 4847 US, +1 564 217 2000 US, +1 646 558 8656 US (New York), +1 646 931 3860 US

Webinar ID: 821 7801 7868

International numbers available: https://us02web.zoom.us/u/kisNmoE5P

The Zoom link is to view/listen to the meeting only, not for participation.

PARTICIPATION/COMMENT:

There is one way to submit public comments:

• To participate/comment during the meeting, you must attend in-person. Comments on all agenda items will be taken during public comment at the beginning of the meeting. Comments for items not on the agenda will be taken during open forum towards the end of the meeting.

If you have any questions, please email hearingsunit@oaklandca.gov

HOUSING, RESIDENTIAL RENT AND RELOCATION BOARD MEETING

- 1. CALL TO ORDER
- 2. ROLL CALL
- 3. PUBLIC COMMENT
 - a. Comments on all agenda items will be taken at this time. Comments for items not on the agenda will be taken during open forum.
- 4. CONSENT ITEMS
 - a. Approval of Board Minutes, 8/24/2023 (pp. 3-10)
- 5. APPEALS*
 - a. T23-0019, Barragan et al. v. Mead Holding LLC (pp. 11-116)
- 6. INFORMATION AND ANNOUNCEMENTS
- 7. SCHEDULING AND REPORTS
- 8. OPEN FORUM
- 9. ADJOURNMENT

As a reminder, alternates in attendance (other than those replacing an absent board member) will not be able to take any action, such as with regard to the consent calendar.

Accessibility: Contact us to request disability-related accommodations, American Sign Language (ASL), Spanish, Cantonese, Mandarin, or another language interpreter at least five (5) business days before the event. Rent Adjustment Program (RAP) staff can be contacted via email at RAP@oaklandca.gov or via phone at (510) 238-3721. California relay service at 711 can also be used for disability-related accommodations.

Si desea solicitar adaptaciones relacionadas con discapacidades, o para pedir un intérprete de en Español, Cantones, Mandarín o de lenguaje de señas (ASL) por favor envié un correo electrónico a RAP@oaklandca.gov o llame al (510) 238-3721 o 711 por lo menos cinco días hábiles antes de la reunión.

需要殘障輔助設施, 手語, 西班牙語, 粵語或國語翻譯服務, 請在會議前五個工作天電郵 RAP@oaklandca.gov 或致電 (510) 238-3721 或711 California relay service.

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^{*}Staff appeal summaries will be available on the Rent Adjustment Program's website and the City Clerk's office at least 48 hours prior to the meeting pursuant to O.M.C. 2.20.070.B and 2.20.090

HOUSING, RESIDENTIAL RENT AND RELOCATION BOARD FULL BOARD SPECIAL MEETING

August 24, 2023 6:00 P.M. CITY HALL

1 FRANK H. OGAWA PLAZA, HEARING ROOM #1 OAKLAND, CA 94612

MINUTES

1. CALL TO ORDER

The Board meeting was administered in-person by B. Lawrence-McGowan from the Rent Adjustment Program (RAP), Housing and Community Development Department. B. Lawrence-McGowan explained the procedure for conducting the meeting. The HRRRB meeting was called to order by Chair Ingram at 6:03 p.m.

2. ROLL CALL

MEMBER	STATUS	PRESENT	ABSENT	EXCUSED
Vacant	Tenant			
D. WILLIAMS	Tenant			X
J. DEBOER	Tenant Alt.	X		
M. GOOLSBY	Tenant Alt.	X		
D. INGRAM	Undesignated	X		
C. OSHINUGA	Undesignated	X		
M. ESCOBAR	Undesignated			X
Vacant	Undesignated			
	Alt.			
Vacant	Undesignated			
	Alt.			
D. TAYLOR	Landlord		X	
K. BRODFUEHRER	Landlord	X		·
C. JACKSON	Landlord Alt.	_		X
Vacant	Landlord Alt.			

Staff Present

Kent Qian Deputy City Attorney

Marguerita Fa-Kaji Senior Hearing Officer (RAP) Briana Lawrence-McGowan Administrative Analyst II (RAP)

3. PUBLIC COMMENT

a. No members of the public spoke during public comment.

4. CONSENT ITEMS

- a. Chair Ingram announced that agenda item 4b is being postponed until after the appeal case is heard.
- b. Approval of Board Minutes, 8/10/2023: Vice Chair Oshinuga moved to approve the Board Minutes from 8/10/2023. Member J. deBoer seconded the motion.

The Board voted as follows:

Aye: D. Ingram, C. Oshinuga, M. Goolsby, J. deBoer, K. Brodfuehrer

Nay: None Abstain: None

The minutes were approved.

5. APPEALS*

a. L19-0013 et al., Vulcan Lofts, LLC v. Tenants

Appearances: Servando Sandoval Owner Representative

Leah Hess Tenant Representative Hasmik Geghamyan Tenant Representative

This case involved an appeal to tenant petitions and a property owner petition for a certificate of exemption. In August and October 2018, tenants from Vulcan Lofts filed petitions challenging rent increases and alleging decreased housing services. The tenants also contested the exemption on the basis of fraud or mistake—as a prior ruling from the Board determined that four units of the property were exempt from the Rent Adjustment Ordinance on the basis of new construction. This was appealed by one tenant and affirmed by the Superior Court and Court of Appeals.

In November 2018, the property owner filed a petition seeking an exemption on the basis of new construction for units located at 4401 San Leandro Street. Tenants filed responses to the petition, arguing that the ordinance does not grant exemptions to properties where there has been residential use prior to the issuance of a certificate of occupancy—and that there was evidence of residential use prior to issuance of the certificate in

1987. On April 30, 2023, the Hearing Officer issued a hearing decision, granting the property owner's petition and dismissing the tenant petitions. The Hearing Officer found that the evidence established that the property was newly constructed after the purchase of the property in December 1985—and that the property was not residential before the purchase. The Hearing Officer also found that the residential occupancy started after the purchase in 1985, and that the certificate of occupancy was finalized on October 20, 1987. Based on these findings, the hearing decision concluded that the owners had met their burden of proof to establish that the property received a certificate of occupancy after January 1, 1983—and therefore, the subject property is exempt from the Rent Adjustment Ordinance.

The tenants appealed the hearing decision, arguing that:

- 1.) The Hearing Officer failed to address the primary legal question of whether any residential use prior to the issuance of the certificate of occupancy counts as prior residential use for the purpose of exemption—or if only residential use before January 1, 1983, matters for exemption purposes and
- 2.) Because exemptions are narrowly construed, post 1983 residential use occurring before the issuance of the certificate of occupancy means that the units should not be exempt as new construction under the Rent Adjustment Ordinance. There is evidence in the record of residential use from at least June 1986—prior to the issuance of the certificate of occupancy in 1987 and
- 3.) The prior case, Vidor v. City of Oakland, does not control here because the decision only applied to 4 units in the property and exemption decisions can be overturned upon the showing of fraud or mistake.

The owner then submitted a response, contending that Oakland law does not expressly provide that any residential use before the issuance of the certificate of occupancy removes an exemption claim based on new construction—and that for the prior residential use standard, to preclude a new construction exemption, the residential use must have occurred prior to January 1, 1983. The owner also argued that prior cases holding that the Vulcan Lofts units were exempt should be given deference.

The following issues were presented to the Board:

- 1.) If a unit receives a certificate of occupancy on or after January 1, 1983, as a result of conversion from existing space, does the unit qualify for the new construction exemption, so long as the former unit was not used residentially prior to 1983 or prior to conversion?
- 2.) Did the Hearing Officer's decision adequately connect the finding to the

ultimate conclusion that the property was exempt by applying a clear legal rule?

The tenant representative contended that the tenants are requesting for the City Attorney's recommendation to be adopted—which is based on the Amory v. Green Sage case and held that there's no temporal limit on residential use prior to conversion. The tenant representative argued that residential use after January 1, 1983, can be used to preclude exemption and that the facts of this case and the Amory v. Green Sage case parallel. The tenant representative contended that in both cases, tenants moved into the property before final permits and certificates of occupancy were issued. The tenant representative argued that in the Amory v. Green Sage case, the property was built between 2003 and 2010, and tenants began to move-in throughout 2009—however, the certificate of occupancy wasn't issued until 2011. The tenant representative contended that the Board determined in the Amory v. Green Sage case that residential use before or after 1983 precludes exemption and that the tenants are requesting for this to be applied to the current case.

The tenant representative argued that in December 1985, the owners purchased the property, attained permits, and promptly began building 59 live-work units in three buildings—A, B, and C. The tenant representative contented that prior to receiving any finalized permits or certificates of occupancy, the owners began renting the live-work units to tenants, and that this practice continued for two years as construction continued. The tenant representative argued that this practice is unlawful under state and local building codes, which forbid occupancy without a certificate of occupancy. The tenant representative contended that these laws are not mere formalities, they are safeguards that protect tenants from unsafe and dangerous housing. The tenant representative argued that granting exemption when buildings lack final permit inspections rewards owners who engage in illegal construction practices.

The tenant representative contended that the owners obtained a certificate of occupancy in October 1987—but at that point, there were many tenants in the building. The tenant representative argued that the Amory v. Green Sage case provides a clear and bright line that can be easily applied and prevents owners from benefiting from unlawful construction. The tenant representative argued that the hearing decision is at odds with the intent and purpose of the Rent Adjustment Ordinance and argued that if the hearing decision is upheld, it will provide a precedent for landlords who violate the law to obtain exemptions, strip tenants who are covered by the ordinance of their protections and punish the tenants for the owners' wrongdoing.

The tenant representative argued that there is evidence on the record of pre 1983 occupancy and that it states in the registrar of voters record that the property was occupied in 1982. The tenant representative contended that people began moving into the Vulcan Lofts in June of 1986, more than two years before the owners received the final certificates of occupancy and that building C never got a final certificate. The tenant representative argued that the owners had a series of temporary occupancy certificates for some of the units, but not all of them—and that newly constructed units include legal conversions of uninhabited spaces not used by tenants. The tenant representative contended that legal conversions is not a convergence that happens when construction is ongoing and there are no finalized documents—and that a legal conversion is when the building may be legally occupied. The tenant representative argued that the landlords put the tenants in a situation where they were living in a construction zone, that tenants of illegal buildings are still covered by the Rent Adjustment Ordinance, and that the tenants will lose these protections if the property is declared to be exempt—which it is not.

The owner representative contended that the appeal hearing is being held to address the issue of whether the property is exempt—and that the owners in this case met their burden of proof to show that this was new construction. The owner representative argued that the property was an iron foundry in operation in 1985 when it was purchased, and that there was testimony and evidence presented at the hearing, setting forth the fact that the foundry continued in operation after the purchase. The owner representative contended that the evidence shows that when the construction was started, permits were obtained. The owner representative argued that while permits were being finalized, the owners had temporary certificates of occupancy that were issued—and that the final certificate of occupancy was issued in 1987.

The owner representative argued that this case is unlike the Amory v. Green Sage case because in that case, the owner converted space without permits, then submitted an application to legalize the existing residential space—which did not occur in this case. The owner representative contended that the Board needs to uphold the hearing decision because this is a pure example of where landlords are incentivized to add new housing, which is necessary and needed in Oakland. The owner representative argued that the owners followed the rules and obtained permits and temporary certificates of occupancy—and that they ultimately got the finalized certificate of occupancy.

The owner representative contended that the tenants are now attempting to go back and recreate history and that they are trying to stop the property

from being exempt from the Rent Adjustment Ordinance. The owner representative argued that the ordinance states that units are exempt as new construction if they are created from a space that was formerly entirely non-residential. The owner representative contended that the tenants attempted to make it look like there was evidence of pre 1983 residency—however, there were a total of five hearings in this case and the Hearing Officer still decided that there was not one scintilla of evidence showing any prior residential use before 1983. The owner representative argued that there is no such evidence of residential history prior to 1983 and that the Board should uphold the hearing decision.

The owner representative argued that in the tenants' appeal, it states that the tenants do not dispute the essential facts stated in the decision—and the decision found that there was no residential use pre 1983 or pre-1985. The owner representative contended that the only evidence the tenants have is one voter registration from 1982, which was not credible—and the fact that the property was an iron foundry that was in operation in 1985 and continued after the purchase in 1985 is evidence in this case. The owner representative argued that this case is completely different than the Amory v. Green Sage case—and that there was no existing residential use or living units at this property prior to the construction to convert this into a residential property.

After parties' arguments, questions to the parties, and Board discussion, Chair Ingram moved to remand the case back to the Hearing Officer for a determination on the exemption based on the Amory v. Green Sage decision. For clarification, to qualify for an exemption, the property must have been entirely non-residential—i.e., no residential use, prior to the issuance of the final certificate of occupancy. The Hearing Officer is also to make a decision on the tenant petitions based on the merits. Member J. deBoer seconded the motion. Member J. deBoer withdrew his second.

Chair Ingram moved to remand the case back to the Hearing Officer for a determination on the exemption based on the Amory v. Green Sage decision. For clarification, to qualify for an exemption, the property must have been entirely non-residential—i.e., no residential use, prior to the issuance of the certificate of occupancy. If the Hearing Officer determines that the property is not exempt, the Hearing Officer is to conduct a hearing and make a decision on the tenant petitions based on the merits. Member K. Brodfuehrer seconded the motion.

The Board voted as follows:

Aye: D. Ingram, C. Oshinuga, M. Goolsby, J. deBoer, K. Brodfuehrer

Nay: None Abstain: None

The motion was approved.

- 6. RESOLUTION TO RECOMMEND AMENDMENT OF THE RENT ADJUSTMENT PROGRAM REGULATIONS TO (1) EXTEND AMORTIZATION PERIOD FOR MANDATORY SEISMIC RETROFITS TO 25 YEARS; (2) REDUCE ARGUMENT TIME TO SIX (6) MINUTES PER PARTY; (3) REMOVE APPEARANCE REQUIREMENT FOR APPELLANT AT APPEAL HEARINGS; (4) ALLOW NON-VOTING ALTERNATES TO PARTICIPATE IN BOARD MEETINGS IN NON-VOTING CAPACITY; (5) ADD GOOD CAUSE HEARINGS FOR FAILURE TO APPEAR AT HEARINGS; (6) CHANGE MEETING TIME TO 6 PM; (7) CODIFY EXISTING PROCEDURAL PRACTICES IN REGULATIONS; AND (8) MAKE OTHER CLARIFYING AND REORGANIZATION CHANGES
 - a. Chair Ingram and fellow Board members discussed the recent changes to the resolution to recommend amendments to Rent Adjustment Program Regulations. After Board discussion, Chair Ingram moved to adopt the resolution for forwarding to City Council. Vice Chair Oshinuga seconded the motion.

The Board voted as follows:

Aye: D. Ingram, C. Oshinuga, M. Goolsby, J. deBoer, K. Brodfuehrer

Nay: None Abstain: None

The motion was approved.

7. SCHEDULING AND REPORTS

a. None

8. INFORMATION AND ANNOUNCEMENTS

a. None

9. OPEN FORUM

a. No members of the public spoke during open forum.

10.ADJOURMENT

a. The meeting was adjourned at 7:49 p.m.

CHRONOLOGICAL CASE REPORT

Case No.: T23-0019

Case Name: Barragan et al v. Mead Holding LLC

Property Address: 2031 69th Avenue, Oakland, CA 94621

Parties: Ahmed Said, Mead Holding LLC (Owner)

Reyes Ornelas (Tenant) Maria Barragan (Tenant)

Gregory Ching (Tenant Representative)

OWNER APPEAL:

<u>Activity</u> <u>Date</u>

Tenant Petition filed January 23, 2023

Property Owner Response filed February 1, 2023

Tenant Evidence Submission February 28, 2023

Notice of Incomplete Owner Response mailed February 28, 2023

Property Owner Email Correspondences March 3 & 8, 2023

Administrative Decision mailed April 6, 2023

Property Owner Appeal filed April 18, 2023

Tenant Brief in Support of Petition submitted	May 2, 2023
Owner Appeal Supporting Document submitted	May 25, 2023

T23-0019 ELIBL



CITY OF OAKLAND RENT ADJUSTMENT PROGRAM

250 Frank H. Ogawa Plaza, Suite 5313 Oakland, CA 94612-0243 (510) 238-3721 CA Relay Service 711 www.oaklandca.gov/RAP For Cent Adjustment Program date stamp.

JAN 23 2023

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CONALNAO

TENANT PETITION

Please fill out this form as completely as you can. Use this form to contest a rent increase, seek a rent decrease, and/or contest an owner exemption from the Rent Adjustment Program. Failure to provide the required information may result in your petition being rejected or delayed. See the last pages of this petition packet ("Important Information Regarding Filing Your Petition") or the RAP website for more information. CONTACT A HOUSING COUNSELOR TO REVIEW YOUR PETITION BEFORE SUBMITTING. To make an appointment email RAP@oaklandca.gov.

Rental Unit Information
2031 69th Ave.
Street Number Street Name Oakland, CA 94621 Zip Code
Move-in Date: 01/2013 Initial Rent at Move-In: \$ 1,000 Current Rent: \$ 1,500
Is your rent subsidized or controlled by a government agency (such as HUD or Section 8), other than Oakland Rent Adjustment Program? (See page 5 "Jurisdiction" for more information) Yes No Not sure
Are you current on rent? Yes (*Note: You must be current on your rent or lawfully withholding rent in order to file a petition. Checking "No" without providing an adequate explanation may result in your petition being If not current on rent, explain why:
When (if ever) did the property owner first provide you with the City form, NOTICE TO TENANTS OF THE RESIDENTIAL RENT ADJUSTMENT PROGRAM ("RAP Notice")? I first received the RAP Notice on: was never provided with the RAP Notice I do not remember if I ever received the RAP Notice
Case number(s) of any relevant prior Rent Adjustment case(s):
Tenant Information (List each tenant petitioner in unit. If you need more space, attach additional sheet.)
Maria Barragan
First Name Last Name
Mailing Address (if different from above):
Primary Telephone: (510) 395-0124 Other Telephone: Email: carmenornelas01@gmail.com
Reyes Ornelas
First Name Last Name
Mailing Address (if different from above):
Primary Telephone: (510)-472-1072 Other Telephone:Email:
Tenant Representative (Check one): No Representative Attorney Non-Attorney
First Name Last Name Firm/Organization (if any)
Mailing Address:
Phone Number: Email:

Page 1 of 4

Property	Owner Informa	ation	
Property O	wner		The state of the s
First Name		Said	
		Last Name	
		e): Mead Holding LLC	
Mailing Add	iress: 2400 Marke	et Suite B Oakland ,ca 94607	
Phone Num	ber: (510)-812-327	77 Email: Ahmedm	nead@gmail.com
	anager (if applicable		
irst Name		Last Name	Name of Man
ailing Addr	ress:		Name of Management Company
		Email:	
		GROUNDS FOR PE	ETITION
	lawful Rent	ing Regulations. A copy of the Ordinance and the coakland-rent-adjustment-program-coakland-rent-adjustment increase about (A2) I received a rent increase the	ordinance. ove the allowable amount.
Inc	rease(s)	proper notice, was not properly se	at I believe is unlawful because I was not given erved, and/or was not provided with the required f the Residential Rent Adjustment Program").
Tori		man boodage a dovernment agency has	d do not believe I should be required to pay it s cited my unit for serious health, safety, fire, or st attach a copy of the citation to your petition.
Hou	creased using vices	(B1) The property owner is providir previously received and/or Lam be	ng me with fewer housing services than I ing charged for services originally paid for by the cons based on bad conditions/failure to repair.)
(Com on pa	<u>plete section B</u> <u>ge 3)</u>	(B2) I am being unlawfully charged	for utilities.
		(C1) My rent was not reduced after improvements or after an additional increase, vacated from the premise	a prior rent increase period for capital I tenant for whom the owner was allowed an s.
Oth	er	(C2) I wish to contest an exemption exemption was based on fraud or m	from the Rent Adjustment Ordinance because the nistake.
	The second second	(C3) The initial rent amount when I f	

Page 2 of 4

Α.

Unlawful Rent Increase(s)

(Complete this section if any of the grounds for petition fall under category A, above)

<u>List all rent increases you wish to contest</u>. Begin with the most recent increase and work backwards. If you never received the RAP Notice, you can contest all past increases. See the "Important Information" page at the end of this petition packet for more information on time limits for contesting rent increases. If you need additional space, attach a separate sheet or an additional copy of this form.

 For petitions contesting a rent increase on the grounds that the unit has been cited by a government agency for serious health, safety, fire, or building code violations, <u>you must attach a copy of the citation</u> to your petition.

Date received rent increase notice:	Date rent increase went into effect:	Amount	of increase:	Received RAP Notice with notice of rent increase?		
(Month/Day/Year) 09/2019	(Month/Day/Year) 12/2019	FROM	TO	VEC		
09/2019	12/2019	\$ 1,000	\$ 1,300	NO		
09/2022	12/2022	\$ 1,300	\$ 1,500			
		\$	\$			
		\$	\$			
		\$	\$			

В.

Decreased Housing Services

(Complete this section if any of the grounds for petition fall under category B, above)

<u>List all the conditions that you believe entitle you to a rent decrease</u>. If your petition is based on problems related to your unit, or because the owner has taken away service(s) or is charging for services originally provided by the owner, you must complete this section. If you need more space, attach a separate sheet or an additional copy of this form.

- You are strongly encouraged to submit documentary evidence (photographs, inspection reports, correspondence with your landlord, etc.) together with your petition. Evidence may be submitted up to seven calendar days prior to your hearing.
- You may wish to have a City inspector come inspect your unit for possible code violations in advance of your hearing. Copies of any inspection report(s) may be submitted in support of your petition. To schedule an inspection, contact the City of Oakland Code Enforcement Unit at (510) 238-3381, or file a complaint online at https://www.oaklandca.gov/services/file-a-complaint-with-code-enforcement. Note: if additional items are cited in an inspection report that were not included in your original petition (below), you must file an additional petition listing those items in order for RAP staff to consider them as a part of your claim.

	Description of problem or decreased housing service (list separately):	Date problem or decreased service started: (Month/Day/Year)	Date first notified owner or manager of problem: (Month/Day/Year)	Date problem or service was fixed, if ever: (Month/Day/Year)	What is the dollar value of your claimed loss?
1.					\$
2.					\$
3.					\$
1.		•.			\$

TEN	NANT VERIFICATI (Required)	ON .
I/We declare under penalty of perjury pursuant to this Tenant Petition is true and that all of the docu		f California that everything I/we said in Petition are true copies of the originals
Tenant 1 Signature		
Tenant 1 Signature		01/20/23 Date
REGES ORCLAS		Date
Tenant 2 Signature		01/20/23 Date
(H	TO ELECTRONIC ighly Recommended)	
Check the box below if you agree to have RAP sta your case electronically. If you agree to electronic and not by first class mail.	ff and the OTHER PAF service, the RAP may s	RTY/PARTIES send you documents related to send certain documents only electronically
I/We consent to receiving notices and doc PARTY/IES electronically at the email add	uments in this matter ress(es) provided in t	from the RAP and from the OTHER his response.
	IATION PROGRAM	
Mediation is an optional process offered by RAP to case as an alternative to the formal hearing process to see if a mutual agreement can be reached. If a set there will not be a formal hearing. If no settlement is Adjustment Hearing Officer, who will then issue a hearing officer.	ettlement is reached, the reached, the case will earing decision.	ne parties will sign a binding agreement and go to a formal hearing with a Rent
Mediation will only be scheduled if both parties agre	e to mediate. Sign belo	ow if you agree to mediation in your asset
I agree to have the case mediated by a Rent Adju	ıstment Program staf	f mediator
Tenant Signature		
NTERRE	FIATION SERVICE	Date
	ETATION SERVIC	
If English is not your primary language, you have the Adjustment hearing and mediation session. You can	right to an interpreter request an interpreter	in your primary language/dialect at the Rent by completing this section.
I request an interpreter fluent in the following language at my Rent Adjustment proceeding:	☑ Spanish (Espai ☐ Cantonese (廣 ☐ Mandarin (普通 ☐ Other:	iol) 東話)

-END OF PETITION-

Page 4 of 4

Tenant Petition Rev. 09/14/2022 PERSON(S) SERVED:

Ahmed Said
2400 Market Suite B
Oakland,CA 94607

Name	
Address	
City, State, Zip	

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Israel Lepiz

PRINTED NAME

01/20/23

DATE SIGNED



CITY OF OAKLAND RENT ADJUSTMENT PROGRAM

250 Frank H. Ogawa Plaza, Suite 5313 Oakland, CA 94612-0243 (510) 238-3721 CA Relay Service 711 www.oaklandca.gov/RAP

For Rent Adjustment Program date stamp.

PROOF OF SERVICE

NOTE: YOU ARE REQUIRED TO SERVE A COPY OF YOUR PETITION (PLUS ANY ATTACHMENTS) ON THE PROPERTY OWNER PRIOR TO FILING YOUR PETITION WITH RAP. You must include a copy of the RAP form "NOTICE TO PROPERTY OWNER OF TENANT PETITION" (the preceding page of this petition packet) and a completed PROOF OF SERVICE form together with your Petition.

- Use this PROOF OF SERVICE form to indicate the date and manner of service and the person(s) served.
- 2) Note: Email is not a form of allowable service on a party of a petition or response pursuant to the Ordinance.

3) Provide a completed copy of this PROOF OF SERVICE form to the person(s) being served together with the

File a completed copy of this PROOF OF SERVICE form with RAP together with your Petition. Your Petition will not be considered complete until this form has been filed indicating that service has occurred.

On the	follo	owing	date: 🧘)1 <u>/</u> 2	<u>20 / 2</u>	<u>023</u> 1	served	a co _l	by of	(chec	k all i	that a	pply):			
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CITY OF OAKLAND RENT ADJUSTMENT PROGRAM

250 Frank H. Ogawa Plaza, Suite 5313 Oakland, CA 94612-0243 (510) 238-3721 CA Relay Service 711 www.oaklandca.gov/RAP

NOTICE TO PROPERTY OWNER OF TENANT PETITION

ATTENTION: IMMEDIATE ACTION REQUIRED

If you are receiving this NOTICE together with a completed TENANT PETITION form, it means that a tenant has filed a case against you with the Oakland Rent Adjustment Program ("RAP") (commonly referred to as the "Rent Board").

- > YOU MUST FILE A RESPONSE WITHIN 35 CALENDAR DAYS AFTER THE PETITION WAS MAILED TO YOU (30 DAYS IF DELIVERED IN-PERSON).
- > TO RESPOND:
 - Complete a PROPERTY OWNER RESPONSE form found on the RAP website.

 (https://www.oaklandca.gov/services/respond-to-a-tenant-petition-for-the-rent-adjustment-program)
 - 2) <u>Serve a copy</u> of your **PROPERTY OWNER RESPONSE** form on the tenant (or the tenant's representative listed on the petition) by mail or personal delivery.
 - Complete a PROOF OF SERVICE form (which is attached to the Response form and also available on the website) and provide a copy to the tenant (or tenant's representative) together with your PROPERTY OWNER RESPONSE form.
 - 4) Submit your PROPERTY OWNER RESPONSE form and completed PROOF OF SERVICE* form to RAP through RAP's online portal, via email, or by mail.

*Note: The Response will not be considered complete until a PROOF OF SERVICE is filed indicating that the tenant has been served with a copy.

DOCUMENT REVIEW: The tenant is required to serve on you all documents the tenant filed in this case in addition to the petition. Additionally, all documents are available for review at RAP.

FOR ASSISTANCE: Contact a RAP Housing Counselor at (510) 238-3721 or by email at RAP@oaklandca.gov. Additional information is also available on the RAP website and on the PROPERTY OWNER RESPONSE form.

IMPORTANT INFORMATION REGARDING FILING YOUR PETITION

TIME TO FILE YOUR PETITION

Your Tenant Petition form must be <u>received</u> by the Rent Adjustment Program within the required time limit for filling. RAP staff cannot grant an extension of time to file your Petition.

- For Petitions contesting a rent increase, you have 90 days from the date of notice of increase or from the first date you received the RAP Notice (whichever is later) to file a Petition. If you did not receive a RAP Notice with the rent increase you are contesting but have received one in the past, you have 120 days to file a Petition. If you have never received a RAP Notice, you may contest all rent increases.
- For Petitions claiming decreased housing services, you have 90 days from either the date you first became aware of the decreased service or the date you first received the RAP Notice (whichever is later) to file a Petition. If the decreased housing service is ongoing, you may file a Petition at any time. See O.M.C. §§ 8.22.090 (A)(2)-(3) for more information.

CONTACT A HOUSING COUNSELOR TO REVIEW YOUR PETITION BEFORE SUBMITTING

To make an appointment, email <u>RAP@oaklandca.gov</u> or call (510) 238-3721. Although the Housing Resource Center is temporarily closed for drop-in services, assistance is available by email or telephone.

DOCUMENTS SUBMITTED IN SUPPORT OF PETITION

All attachments submitted together with your Petition must be numbered sequentially. You may submit additional evidence in support of your Petition up to seven days before your hearing¹. You must serve a copy of any documents filed with RAP on the other party and submit a PROOF OF SERVICE form.

REMINDER: Once a petition and its attachments are submitted to the RAP they become public records. Please redact any private information (such as social security numbers, bank account numbers, credit card numbers and similar financial data) from the documents you submit as part of this petition. If you have any questions, you may contact RAP staff at (510) 238-3721 or by email at RAP@oaklandca.gov.

Additionally, all documents submitted to the RAP, including but not limited to emails, petitions, attachments, potential evidence, text messages, screenshots, etc., are a part of the file in your case and all parties to a case are entitled to have access to this information.

SERVICE ON PROPERTY OWNER

You are required to serve ALL the following documents on the property owner and/or the property owner's representative:

- 1. Copy of RAP form entitled "NOTICE TO PROPERTY OWNER OF TENANT PETITION" (included in petition packet and available on RAP website).
- 2. Copy of completed Petition form and attachments.
- 3. Completed PROOF OF SERVICE form (included in petition packet and available on RAP website).

You may serve the property owner and/or the owner's representative by mail or personal delivery. A copy of the completed PROOF OF SERVICE form must be submitted to RAP together with your Petition. Your Petition will not be considered complete until a PROOF OF SERVICE form is filed indicating that the owner has been served. Note that you cannot serve a Petition by email, even if you have an agreement to electronic service between the parties, because the Ordinance requires service by mail or in person.

¹ Note that certain documents are required to be submitted with the Petition. See petition for details.



CITY OF OAKLAND RENT ADJUSTMENT PROGRAM

250 Frank H. Ogawa Plaza, Suite 5313 Oakland, CA 94612-0243 (510) 238-3721 CA Relay Service 711 www.oaklandca.gov/RAP



EL|BL

PROPERTY OWNER RESPONSE TO TENANT PETITION

Please fill out this form as completely as you can. Use this form to respond to the Tenant Petition you received. By completing this response form and submitting it in the required time for filing, you will be able to participate in the hearing. Failure to provide the required information may result in your response being rejected or delayed. See "Important Information Regarding Filing Your Response" on the last page of this packet for more information, including filing instructions and how to contact the Rent Adjustment Program ("RAP") with questions. Additional information is also available on the RAP website. CONTACT A HOUSING COUNSELOR TO REVIEW YOUR RESPONSE BEFORE SUBMITTING. To make an appointment email RAP@oaklandca.gov.

Rental Unit Inform	nation				William Description
2031	69th Avenue		С	Oakland, CA	94621
Street Number	Street Name		Unit Number	2	Zip Code
Is there more than one	e street address on the parcel?		If yes, list all addresses:_		
Type of unit(s) (check one):	Single family home Condominium Apartment, room, or live-work		Number of units on property:		00
Case number(s) of an	y relevant prior Rent Adjustment cas	se(s):			-
Tenant Informati		$\mathbb{T}_{M_{2}}$			
Name of Tenant Petiti	oner(s): Maria Barragan &	Reyes	Ornelas		
Date tenant(s) moved into rental unit: Jan, 2013 Initial rent amount: \$1,000 Is/are tenant(s) Current on rent? Yes					
Property Owner	Information				
Ahmed		Said			
First Name		Last Na	nme		
	applicable): Mead Holding LL 2400 Market St, Suite B	.0			
100	Oakland Ca, 94607		(540) 000 0045		voad@amail.com
Primary Telephone: _	(510) 812-3277 Other Telep	phone: _	(510) 326-6215 E	Email:anmedn	nead@gmail.com
Property Owner	Representative (Check one):	X N	lo Representative	attorney 🗖 Nor	n-attorney
Finish	Last Name		Fir	·m/Organization (<i>it</i>	fany)
First Name					
Phone Number:		. Email:			

GEN	ERAL FILING REQUIREMENTS						
To file a Response to a Tenant Petition, the property owner must be current on the following requirements and submit supporting documentation of compliance. Property Owner Responses that are submitted without proof of compliance with the below requirements will be considered incomplete and may limit your participation in the hearing.							
Requirement	Requirement Documentation						
Current Oakland business license	Attach proof of payment of your most recent Oakland business license.						
Payment of Rent Adjustment Program service fee ("RAP Fee")	Attach proof of payment of the current year's RAP Fee for the subject property.						
Service of the required City form entitled "NOTICE TO TENANTS OF THE RESIDENTIAL RENT ADJUSTMENT PROGRAM" ("RAP Notice") on all tenants	Attach a signed and dated copy of the first RAP Notice provided to the petitioning tenant(s) or check the appropriate box below. I first provided tenant(s) with the RAP Notice on (date): I have never provided a RAP Notice. I do not know if a RAP Notice was ever provided.						
If you believe that the subject property is exempt from the Rent Adjustment Ordinance (pursuant to O.M.C. § 8.22.030), check each box below that is the claimed basis of exemption. Attach supporting documentation together with your response form. If you do not claim any exemption, proceed to the "Response to Tenant Petition" section on the following page.							
The unit is a single-family residence or on 1954.50, et seq.). If claiming this exemple if necessary.	1954.50, et seq.). If claiming this exemption, you must answer the following questions. Attach a separate sheet						
Did the prior tenant leave after be	eing given a notice to quit (Civil Code Section 1946)?						
Did the prior tenant leave after be	eing given a notice of rent increase (Civil Code Section 627):						
3. Was the prior tenant evicted for of4. At the time the prior tenant vacat	rause? led were there any outstanding violations of building housing, fire or safety codes in						
the unit or building? 5. Is the unit separately alienable, r	neaning it can be sold separately from any other unit on the parcel?						
O Distalla a stitle sing topont hove re	6. Did the petitioning tenant have roommates when he/she moved in? 1. From whom? 2) Did you purchase the entire building?						
The rent for the unit is controlled, regular of Oakland Rent Adjustment Ordinance	The rent for the unit is controlled, regulated, or subsidized by a governmental unit, agency, or authority other than the City of Oakland Rent Adjustment Ordinance. (Attach documentation.)						
The unit was newly constructed and iss Certificate of Occupancy.)	ued a Certificate of Occupancy on or after January 1, 1983. (Attach copy of						
The unit is located in a motel, hotel, or r days.	rooming/boarding house, which the tenant petitioner has occupied for less than 30						
The unit is in a building that was previous (Attach copy of Certificate of Exemption							
The unit is an accommodation in a hospital, convent, monastery, extended care facility, convalescent home, non-profit home for the aged, or domitory owned and operated by an educational institution. (Attach documentation.)							

RESPONSE TO TENANT PETITION Use the chart(s) below to respond to the grounds stated in the Tenant Petition. Enter your position on each claim in the appropriate section(s) below. You may attach any documents, photographs, or other tangible evidence that support your position together with your response form. If you need more space, attach additional copies of this page or state your response in a separate sheet attached to this form. Unlawful Rent Increase(s) Α. Complete this section if any of the grounds for the Tenant Petition fall under Category A on the Tenant Petition. List all rent increases given within the past five years, starting with the most recent increase. Reason for Increase Did you provide a Amount of increase: Date tenant RAP Notice with the notice of rent (CPI, banking, or increase went given notice of other): rent increase: Into effect: increase? FROM TO YES (mm/dd/yy) (mm/dd/yy) \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ If the Tenant Petition is based on either of the following grounds, state your response in the space below or in a separate sheet attached to this form. Owner Response **Tenant Petition Grounds** Tenant did not receive proper notice, was not (A2) properly served, and/or was not provided with the required RAP form with rent increase(s). A government agency has cited the unit for (A3) serious health, safety, fire, or building code violations. **Decreased Housing Services** В. Complete this section if any of the grounds for the Tenant Petition fall under Category B on the Tenant Petition. Owner Response Tenant Petition Grounds The owner is providing tenant(s) with fewer housing services and/or charging for services originally paid for by the owner. Tenant(s) is/are being unlawfully charged for (B2) utilities. Other Complete this section if any of the grounds for the Tenant Petition fall under Category C on the Tenant Petition. Owner Response Tenant Petition Grounds

Page 3 of 4

(C1)

(C2)

(C3)

Rent was not reduced after a prior rent increase

Owner exemption based on fraud or mistake.

because owner was not permitted to set initial rent without limitation (O.M.C. § 8.22.080 (C)).

Tenant's initial rent amount was unlawful

period for capital improvements.

OWNER VERIFICATION (Required)				
I/We declare under penalty of perjury pursuant to the law this response is true and that all of the documents attach	on of the State of California that everything I/we said in			
Ahad Ll	1/31/23			
Property Owner 1 Signature	Date			
Property Owner 2 Signature	Date			
CONSENT TO ELECTRONIC SERVICE (Hignly Recommended)				
Check the box below if you agree to have RAP staff and the OTHER PARTY/IES send you documents related to your case electronically. If you agree to electronic service, the RAP may send certain documents only electronically and not by first class mail.				
I/We consent to receiving notices and documents in this matter from the RAP and from the OTHER PARTY/IES electronically at the email address(es) provided in this response.				
MEDIATION PROGRAM				
Mediation is an optional process offered by RAP to assist parties in settling the issues related to their Rent Adjustment case as an alternative to the formal hearing process. A trained third party will work with the parties prior to the hearing to see if a mutual agreement can be reached. If a settlement is reached, the parties will sign a binding agreement and there will not be a formal hearing. If no settlement is reached, the case will go to a formal hearing with a Rent Adjustment Hearing Officer, who will then issue a hearing decision.				
Mediation will only be scheduled if both parties agree to mediate. Sign below if you agree to mediation in your case.				
I agree to have the case mediated by a Rent Adjustment Program staff mediator.				
Property Owner Signature	Date			
Property Owner Signature INTERPRETATION SERVICES				
If English is not your primary language, you have the right to an interpreter in your primary language/dialect at the Rent Adjustment hearing and mediation session. You can request an interpreter y completing this section.				
☐ I request an interpreter fluent in the following language at my Rent Adjustment proceeding:	□ Spanish (Español) □ Cantonese (廣東話) □ Mandarin (普通话) □ Other:			

-END OF RESPONSE-

Page 4 of 4

Property Owner Response to Tenant Petition Rev. 09/14/2022



CITY OF OAKLAND RENT ADJUSTMENT PROGRAM

250 Frank H. Ogawa Plaza, Suite 5313 Oakland, CA 94612-0243 (510) 238-3721 CA Relay Service 711 www.oaklandca.gov/RAP

For Rent Adjustment Program date stamp.

PROOF OF SERVICE

NOTE: YOU ARE REQUIRED TO SERVE A COPY OF YOUR RESPONSE (PLUS ANY ATTACHMENTS) ON THE TENANT(S) PRIOR TO FILING YOUR RESPONSE WITH RAP.

- 1) Use this PROOF OF SERVICE form to indicate the date and manner of service and the person(s) served.
- 2) Note: Email is not a form of allowable service on a party of a petition or response pursuant to the Ordinance.
- 3) Provide a completed copy of this PROOF OF SERVICE form to the person(s) being served together with the documents being served.
- 4) File a completed copy of this PROOF OF SERVICE form with RAP together with your Response. Your Response will not be considered complete until this form has been filed indicating that service has occurred.

On the following dat	e: 1 / 31 /2023 I served a copy of (check all that apply):		
PROPEI (number SERVIC	RTY OWNER RESPONSE TO TENANT PETITION plus attached pages of pages attached to Response not counting the Response form or PROOF OF E)		
Other: _			
by the following me	ans (check one):		
United States Mail. I enclosed the document(s) in a sealed envelope or package addressed to the person(s) listed below and at the address(es) below and deposited the sealed envelope with the United States Postal Service, with the postage fully prepaid.			
Persor listed be years o	nal Service. I personally delivered the document(s) to the person(s) at the address(es) elow or I left the document(s) at the address(es) with some person not younger than 18 f age.		
PERSON(S) SERV			
Name	Maria Barragan		
Address	2031 69th ave #C		
City, State, Zip	Oakland, Ca, 94621		
Name			
Address			
City, State, Zip			

Page 1 of 2

Proof of Service Rev. 5/21/2021

Ahmed Said

PRINTED NAME

All 1/31/23

SIGNATURE

DATE SIGNED

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and

Page 2 of 2

Proof of Service Rev. 5/21/2021

IMPORTANT INFORMATION REGARDING FILING YOUR RESPONSE

TIME TO FILE YOUR RESPONSE

Your Property Owner Response form must be received by the Rent Adjustment Program within 35 days after the Tenant Petition was mailed to you (30 days if the Petition was delivered in-person). RAP staff cannot grant an extension of time to file.

CONTACT A HOUSING COUNSELOR TO REVIEW YOUR RESPONSE BEFORE SUBMITTING

To make an appointment, email RAP@oaklandca.gov or call (510) 238-3721. Although the Housing Resource Center is temporarily closed for drop-in services, assistance is available by email or telephone.

DOCUMENTS SUBMITTED IN SUPPORT OF RESPONSE

All attachments submitted together with your Response must be numbered sequentially. You may submit additional evidence in support of your Response up to seven days before your hearing. You must serve a copy of any documents filed with RAP on the other party and submit a PROOF OF SERVICE form.

REMINDER: Once a petition and its attachments are submitted to the RAP they become public records. Please redact any private information (such as social security numbers, bank account numbers, credit card numbers and similar financial data) from the documents you submit as part of this petition. If you have any questions, you may contact RAP staff by phone at (510) 238-3721 or by email at RAP@oaklandca.gov.

Additionally, all documents submitted to the RAP, including but not limited to emails, petitions, attachments, potential evidence, text messages, screenshots, etc., are a part of the file in your case and all parties to a case are entitled to have access to this information.

SERVICE ON TENANT(S)

You are required to serve a copy of your Property Owner Response form (plus any attachments) on the tenant or the tenant's representative and submit a PROOF OF SERVICE form together with your Response.

- (1) Serve a copy of your Response on the tenant(s) by mail or personal delivery.
- (2) Complete a PROOF OF SERVICE form (included in this Response packet and available on RAP website) indicating the date and manner of service and the person(s) served.
- (3) Provide the tenant with a completed copy of the PROOF OF SERVICE form together with the document(s) being served.
- (4) File a completed copy of the PROOF OF SERVICE form together with your Response when submitting to RAP.

You may serve the tenant(s) and/or the tenant's representative by mail or personal delivery. A copy of the completed PROOF OF SERVICE form must be submitted to RAP together with your Response. Your Response will not be considered complete until a PROOF OF SERVICE form is filed indicating that the tenant has been served. Note that you cannot serve a Response by email, even if you have an agreement to electronic service between the parties, because the Ordinance requires service by mail or in person.

FILING YOUR RESPONSE

Although RAP normally does not accept filings by email or fax, RAP is temporarily accepting Responses via email during the COVID-19 local state of emergency. You may also fill out and submit your Response online through the RAP website or deliver the Response to the RAP office by mail. If the RAP office is closed on the last day to file, the time to file is extended to the next day the office is open. If you send your

Information Sheet Rev. 5/21/2021

¹ Note that certain documents are required to be submitted with the Response. See Response form for details. Page 1 of 2

Response by mail, a postmark date does not count as the date it was received. Remember to file a PROOF OF SERVICE form together with your Response.

> hearingsunit@oaklandca.gov Via email:

City of Oakland Mail to:

Rent Adjustment Program

250 Frank H. Ogawa Plaza, Ste. 5313

Oakland, CA 94612-0243

https://www.oaklandca.gov/services/respond-to-a-tenant-petition-for-the-rent-File online:

adjustment-program

TEMPORARILY CLOSED In person:

City of Oakland

Dalziel Building, 250 Frank H. Ogawa Plaza Suite

5313 Reception area

Use Rent Adjustment date-stamp to stamp your documents to verify timely

delivery and place them in RAP self-service drop box.

AGREEMENT TO ELECTRONIC SERVICE

If you have agreed to electronic service from the RAP by signing the Consent to Electronic Service on page 4 of the response, you have agreed to receive electronic service from the Rent Adjustment Program only, and not from the other parties to the case.

AFTER RESPONSE IS FILED

In most cases, RAP will schedule a hearing to determine whether the Tenant Petition should be granted or denied. You will be mailed a Notice of Hearing indicating the hearing date. If you are unable to attend the hearing, contact RAP as soon as possible. The hearing will only be postponed for good cause.

FILE/DOCUMENT REVIEW

Either party may contact RAP to review the case file and/or to request copies of any documents pertaining to the case at any time prior to the scheduled hearing.

FOR MORE INFORMATION

Additional information on the petition and hearing process is located on the RAP website and in the Residential Rent Adjustment Program Ordinance and Regulations (see Oakland Municipal Code 8.22.010 et seq.). For more information on rent increases, including the list of the annual allowable CPI rates and calculators for certain justifications, see: https://www.oaklandca.gov/resources/learn-more-about-allowable-rent-increases, or you can refer to the Guide on Oakland Rental Housing Law at https://cao-94612.s3.amazonaws.com/documents/Guideto-Oakland-Rental-Housing-Law-1.pdf. You may also contact a RAP Housing Counselor with questions at any time by emailing RAP@oaklandca.gov or calling (510) 238-3721.

CITY OF OAKLAND

BUSINESS TAX CERTIFICATE

ACCOUNT NUMBER

The issuing of a Business Tax Certificate is for revenue purposes only. It does not relieve the taxpayer from the responsibility of complying with the requirements of any other agency of the City of Oakland and/or any other ordinance, law or regulation of the State of California, or any other governmental agency. The Business Tax Certificate expires on December 31st of each year. Per Section 5.04.190(A), of the O.M.C. you are allowed a renewal grace period until March 1st the following year.

00038967

SAID AHMED M

BUSINESS LOCATION

DBA

2031 69TH AVE

OAKLAND, CA 94621-3404

BUSINESS TYPE

M Rental - Apartment



EXPIRATION DATE 12/31/2022

Starting January 1, 2021, Assembly Bill 1607 requires the prevention of usiness establishments. A full notice available in English or other inguages by going to:

A BUSINESS TAX CERTIFICATE IS REQUIRED FOR EACH BUSINESS LOCATION AND IS NOT VALID FOR ANY OTHER ADDRESS.

ALL OAKLAND BUSINESSES MUST OBTAIN A VALID ZONING CLEARANCE TO OPERATE YOUR BUSINESS LEGALLY, RENTAL OF REAL PROPERTY IS EXCLUDED FROM ZONING.



AHMED SAID PO BOX 23562

OAKLAND, CA 94623-0544

PUBLIC INFORMATION ABOVE THIS LINE TO BE CONSPICUOUSLY POSTED!

Tenant Evidence Submission

Case Number: T23-0019

Exhibit	Document Description	Page Numbers
T1	Rent Increase Notice (9/24/2022)	2-3
T2	Rent Increase Notice (12/1/2019)	4-10
Т3	Rent Payment Receipts	11-19
T4	Property Owner-Tenant Communications	20-22

Tenant Evidence Submission

Case Number: T23-0019

Exhibit T1

Page 2 of 22

Mead Holding llc

Notice of Rent Increase

Ahmed Said
2400 Market Suite B
Oakland Ca, 94607

Address: 2031 69th ave, Apt C Oakland Ca, 94621

Dear tenant,

On this 24th day of September 2022, the Landlord known as Ahmed Said is increasing your rent to \$1,500. (One-Thousand Five-Hundred Dollars and No Cents) from its current rate of \$1,300. This rental increase will be effective December 1st, 2022.

The increase in rent will be applied due to high inflation rates that include increasing property and city tax, water, PG&E, as well as maintenance in addition to other factors. Please take into consideration that rent has remained \$1,300 without any increases for years. If you have any questions, comments, or concerns, please feel free to call, text, or email me.

Best Regards,

Ahmed Said

Ahmedmead@gmail.com

(510) 812-3277

Tenant Evidence Submission

Exhibit T2

Page 4 of 22

60-DAY NOTICE TO CHANGE THE TERMS OF CHANGE THE TERMS OF YOUR RENTAL AGREEMENT

4 YOUTH Wouts	, Resident(s) and all others in
To:	he
6 70:	
in of Out to a superior State and local laws on	d ordinances, that sixty (60) days
in the city of	whichever is later, the terms of
Il and of this notice of the	
after service upon you of this notice of beginning after service upon you of this notice of beginning your rental agreement for the above described property are hereby changed as follows: your rental agreement for the above described property are hereby changed as follows: per month	to 5 300 per month, an
YOUR MONTHLY RENT shall be increased itom	
increase of \$ per monut.	, an increase of
VOUR SECURITY DEPOSIT shall be increased from \$	
_ TOOK SEE	
TOTAL AMOUNT DUE and payable by the above stated time period:	
TOTAL AMOUNT DUE and payable by the	S
New Monthly Rent:	\$
Security Deposit Increase:	s
Other:	17 4 (8)
Total Due:	s 1500.00
OTHER CHANGES:	
Except for the above changes, all other terms of your Rental Agreement shall remain i	n full force and effect.
Except for the above changes, all other terms of your Rental Agreement	0
Dated: (Month/Day) December 1, 20 12	O XI OWNER(S)
* AL	
The state of the s	AGENT
By:	

AOA Form No. 106 (Rev. 0405) - Copyright 2006 - Apartment Owners Association of California, Inc. + www.aoausa.com

San Fernando Valley (818)988-9200 - Los Angeles (323)937-8811 - Long Beach (562)597-2422 - Garden Grove (714)539-6000 - San Diego (619)280-7007 - Northern California (510)769-7521

A Meads Properties

Notice Of Rent Increase

Ahmed Said PO Box 23562 Oakland CA 94623

Address: 2031 69th Ave Apt C Oakland, CA 94621

To All Occupants,

On this 12th day of September, 2019 the Landlord known as Ahmed Said is increasing your rent to \$1,300.00. (One-Thousand Three-Hundred Dollars and No Cents) from its current rate of \$1,000.00. This rental increase will be effective December 1, 2019.

The rental increases will be applied due to high inflation rates that include the increase of property and city tax, water, garbage, and other maintenance in addition to many other factors. Please take into consideration that rent has been \$1,000.00 for the past 10+ years with no increases. The California State Law allows property owners to defer applying annual rent increases for up to 10 years. If you have any questions, comments, or concerns, please feel free to call, text, or email me.

Best Regards,
Ahmed Said
ahmedmead@gmail.com
(510)812-3277

Signature:

Date: 9/12/19

Oakland + Resources + Learn More About CPI & Allowable Rent Increases

Learn More About CPI & Allowable Rent Increases

Mayor Libby Schaaf

Select Language | V

311

NEWS

SERVICES

DEPARTMENTS

MEETINGS

COUNCIL

based on the regional Consumer Price Index (CPI). These annual rent increases are known as CPI increases or annual general rent increases.

The annual CPI rate for rent increases effective July 1, 2019 through June 30, 2020, is 3.5%. The rate is not applied to rent increases that take effect earlier than July 1, 2019.

July 1, 2019: 3.5%

July 1, 2018: 3.4%

July 1, 2017: 2.3%

July 1, 2016: 2.0%

July 1, 2015: 1.7%

July 1, 2014: 1.9%

July 1, 2013: 2.1%

July 1, 2012: 3.0%

July 1, 2011: 2.0%

July 1, 2010: 2.7%

July 1, 2009: 0.7%

July 1, 2008: 3.2%

July 1, 2007: 3.3%

May 1, 2006: 3.3%

May 1, 2005: 1.9%

May 1, 2004: 0.7%

May 1, 2003: 3.6%

July 1, 2002: 0.6%

March 1, 1995 – June 30, 2002: 3% per year

The "CPI rate" takes effect on each July 1 and remains in effect through June 30 of the following year. A property owner can raise rent above the CPI rate, based on certain justifications.

Banking
Increased housing service costs
Capital improvements
Uninsured repair costs
Fair return

Banking

Banking refers to deferred allowed annual rent increases. Annual rent increases that were not applied either fully or completely, can be applied in future years. Property owners may defer applying annual rent increases up to 10 years. Rent increases that were not imposed within 10 years expire. If challenged, evidence of the rental history of the subject unit is required.

Banking Rent Increase Calculator Instructions

Banking Rent Increase Calculator

Increased housing service costs

Housing service costs are expenses for services provided by the property owner. The costs are related to the use of a rental unit. These costs are also known as "operating expenses".

If a tenant challenges a rent increase, the landlord must present evidence to prove all claimed expenses. Staff will compare the most recent two years of operating expenses to determine if a rent increase is justified. The calculation in both years must provide a reasonable comparison of all expenses. You may not isolate any single expense.

Expenses considered include:

Property taxes

Business license/taxes, and insurance,

Utilities (electricity, gas, water, garbage)

Maintenance and repairs

Managerial costs

Other legitimate annually recurring expenses to operate the rental property, except debt service.

Increased Housing Costs Rent Increase Calculator

Capital improvements

Capital improvements include improvements to the property. A landlord may apply a rent increase to reimburse themselves for property improvements that benefit the tenants. Reimbursement is limited to 70% of the cost of the improvement amortized over its useful life. Property owners must also show that these costs were paid. Examples include: copies of receipts, invoices, bid contracts or other documentation.

Capital Improvements Rent Increase Calculator
Instructions

Capital Improvements Rent Increase Calculator

Uninsured repair costs

Uninsured repair costs are losses that are not reimbursed to the property owner. These losses are related to damage from fire, earthquake, or other disasters. These costs must be associated with repairs to meet state or local laws. An increase for uninsured repairs is calculated the same way as an increase for capital improvements.

Fair return

A property owner may submit evidence to show that without the requested rent increase he or she is being denied a fair return on the investment. A property owner must show that the return on the investment is less than the return for an investment of similar risk.

The property owner is required to provide three things.

Proof of the amount of investment

Evidence of the return from other investments of similar risk

An analysis of the rate of return from the rental property, including any appreciation in the value of the property.

Rent increases that exceed the CPI increase may be justified for one or more of the reasons listed. Owners may used more than one justification to increase the rent at the same time.

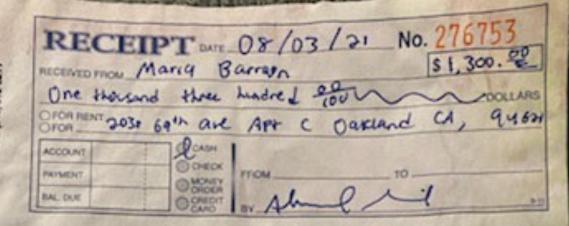
CPI, banking, and capital improvements can be passed through as a rent increase in a single petition.

Tenant Evidence Submission

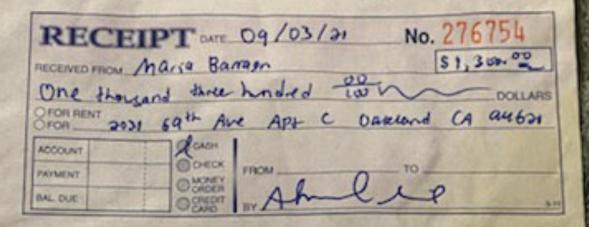
Case Number: T23-0019

Exhibit T3

AASPROPRIES AMMEEN HUMACH



AA S PROPERTES Abmed SAD MANAGER TRL D1Q 812-8277



AA S PROPERTIES AMMOST TEL: \$10 812-2277

RECEIVED FROM	Mana Ba	magn		\$	276755 5200.2
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BAL DUE	O CREDIT O CARO	BY DE	el	1	

A S PROPERTIES AND ANNOGER INVANCER

RECEIPT DATE 11/03/21 NO. 276756

RECEIVED FROM Man & Barragen \$1,300.00

One thousand three hundred the pollars

OFOR RENT
OFOR 2031 69th are April Coalcland CA 94621

ACCOUNT DOMEST FROM TO

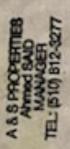
OMOREY OFFICER OFFICER BY Ahl 1000041.

RECEIPT OUT 12/03/24 No. 276757 \$ 1,300.02 RECEIVED MON MANA BATTAGA One thousand thee hinded for Gron 2021 69th are Apt C orkland CA. QUEST ACCOUNT. PAYMENT " Ahme RECEIPT DATE DY /03/22 No. 276758 \$1,300,00 RECEIVED FROM MATTER Barren one thousand thee hundred too V FOR DOLL GOT ALL APT C BAKKING CA, 94621 ACCOUNT A) CASH () CHECK PRYMENT BAL DUE RECEIPT DATE 02/03/22 No. 276759 \$1,200. 2 RECEIVED FROM MANA Barraga One thousand three hundred to un OFOR 2031 69th are APT C paking CA, 94621 ACCOUNT (CHECK PAYMENT BAL DUE RECEIPT DATE 03/03/22 No. 276760 RECEIVED FROM Maria Barraga One thousand three hundred too home 69th are APT C valctond CA. CACH! ACCOUNT CHECK PAYMENT BAL DUE

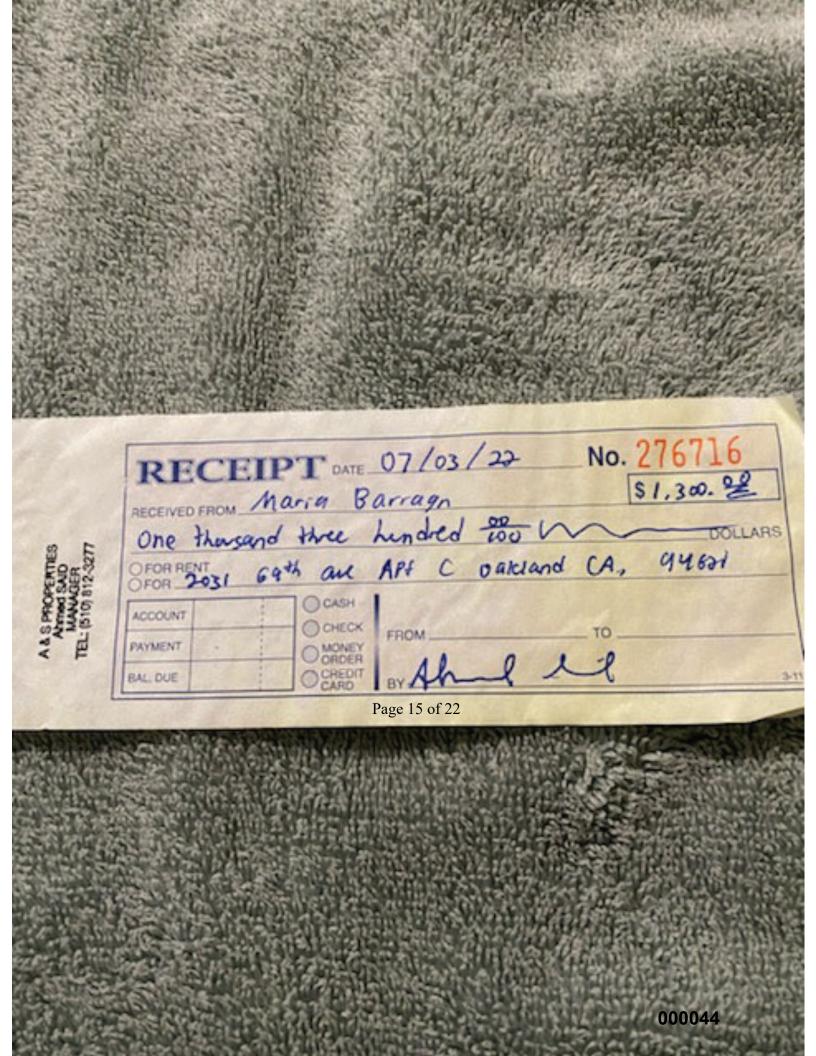
Page 13 of 22

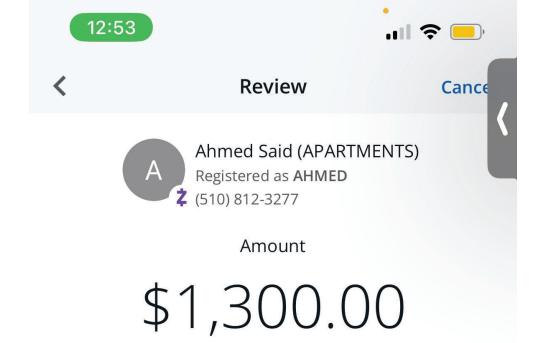
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Sending as CARMEN LIZBETH ORNELAS BARRAGAN

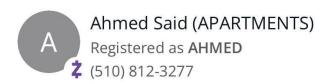
Pay from TOTAL CHECKING (...3515)

Send on Nov 1, 2022

Memo 2031 69th Ave #C Oakland Ca

Only send money to people and businesses you trust. Zelle® doesn't offer protection for payments you authorize, so you might not be able to get your money back once you send it.





Amount

\$1,500.00

Sending as CARMEN LIZBETH ORNELAS BARRAGAN

Pay from TOTAL CHECKING (...3515)

Send on Dec 02, 2022

Memo 2031 69th ave #C Oakland Ca 94621

Only send money to people and businesses you trust. Zelle® doesn't offer protection for payments you authorize, so you might not be able to get your money back once you send it.





Amount

\$1,500.00

Sending as CARMEN LIZBETH ORNELAS BARRAGAN

Pay from TOTAL CHECKING (...3515)

Send on Jan 02, 2023

Only send money to people and businesses you trust. Zelle® doesn't offer protection for payments you authorize, so you might not be able to get your money back once you send it.





Amount

\$1,500.00

Sending as CARMEN LIZBETH ORNELAS BARRAGAN

Pay from TOTAL CHECKING (...3515)

Send on Feb 03, 2023

Memo 2031 69th ave apt C Oakland Ca 94621

Only send money to people and businesses you trust. Zelle® doesn't offer protection for payments you authorize, so you might not be able to get your money back once you send it.

Tenant Evidence Submission

Case Number: T23-0019

Exhibit T4

Mead Holding llc

Rent Payment Method

Ahmed Said
2400 Market st Suite B,
Oakland Ca, 94607

To all tenants,

Starting November 1st, 2022, we will no longer be accepting monthly rental payments by cash.

You have the following methods of payment to choose from:

- 1. Online payment via Zelle
- 2. CashApp

For any comments or concerns, please feel free to contact me via phone, or email.

Ahmed Said

(510) 812-3277

ahmedmead@gmail.com

x Ahll

Date _ 10/1/72

To Whom It May Concern,

Maria Barragn has been residing at 2031 69th ave, Oakland Ca, 94621 for 10 years. She is a wonderful tenant, and pays on time every month. She also cleans up around the building and makes the property a better place.

(Tenant)

(Landlord)



CITY OF OAKLAND RENT ADJUSTMENT PROGRAM

250 Frank H. Ogawa Plaza, Suite 5313 Oakland, CA 94612-0243 (510) 238-3721 CA Relay Service 711 www.oaklandca.gov/RAP For Rent Adjustment Program date stamp.

PROOF OF SERVICE

NOTE: YOU ARE REQUIRED TO SERVE A COPY OF YOUR PETITION OR RESPONSE (PLUS ANY ADDITIONAL DOCUMENTS) ON THE OPPOSING PARTIES.

- ➤ Use this PROOF OF SERVICE form to indicate the date and manner in which service took place, as well as the person(s) served.
- Provide a <u>copy</u> of this PROOF OF SERVICE form to the opposing parties together with the document(s) served
- > File the completed PROOF OF SERVICE form with the Rent Adjustment Program together with the document you are filing and any attachments you are serving.
- Please number sequentially all additional documents provided to the RAP.

PETITIONS FILED WITHOUT A PROOF OF SERVICE WILL BE CONSIDERED INCOMPLETE AND MAY BE DISMISSED.

I served a copy of:	Tenant Evidence Submission (Case No. T23-0019) (insert name of document served) And Additional Documents
Response served of	of attached pages) 22 attached pages (not counting the Petition or the Proof of Service) to each opposing party, whose name(s) and address(es) are e of the following means (check one):
 a. United States mail. I enclosed the document(s) in a sealed envelope or package addressed to the person(s) listed below and at the address(es) below and deposited the sealed envelope with the United States Postal Service, with the postage fully prepaid. b. Deposited it with a commercial carrier, using a service at least as expeditious as first class mail, with all postage or charges fully prepaid, addressed to each opposing party as listed below. c. Personal Service. (1) By Hand Delivery: I personally delivered the document(s) to the person(s) at the address(es) listed below; or (2) I left the document(s) at the address(es) we some person not younger than 18 years of age. 	
PERSON(S) SERV	ED:
Name	Ahmed Said
Address	2400 Market St., Suite B
City, State, Zip	Oakland, CA 94607

City of Oakland Rent Adjustment Program Proof of Service Form 10.21.2020

Name	
Address	
City, State, Zip	
Name	
Address	
City, State, Zip	
Name	
Address	
City, State, Zip	
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City, State, Zip	
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City, State, Zip	
Name	
Address	
City, State, Zip	

To serve more than 8 people, copy this page as many times as necessary and insert in your proof of service document. If you are only serving one person, you can use just the first and last page.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and the documents were served on 2/28/2023 (insert date served).

Gregory Ching	
PRINT YOUR NAME	
277	
(VOE)	February 28, 2023
SIGNATURE	DATE



DALZIEL BUILDING • 250 FRANK H. OGAWA PLAZA, SUITE 5313 • OAKLAND, CALIFORNIA 94612-2034

Housing and Community Development Department Rent Adjustment Program TEL (510) 238-3721 FAX (510) 238-6181 CA Relay Service 711

NOTICE OF INCOMPLETE OWNER RESPONSE

CASE NUMBER: T23-0019

CASE NAME: Barragen et al v. Mead Holding LLC

PROPERTY ADDRESS: 2031 69th Avenue, Unit C Oakland, CA 94621

The Rent Adjustment Program (hereinafter "RAP") received a *Property Owner Response* from you on February 1, 2023

To be complete and considered filed, a response by a property owner must include:1

- a. Proof of payment of the City of Oakland Business License Tax;
- b. proof of payment of the Rent Program Service Fee;²
- c. Evidence that the Owner has provided the RAP Notice to all Tenants affected by the petition or response.³
- d. A substantially completed petition on the form prescribed by the RAP signed under oath;
- e. For a rent increase, organized documentation clearly showing the rent increase justification and detailing the calculations to which the documentation pertains. For an exemption, organized documentation showing your right to the exemption.
- f. For all owner responses, the Owner must provide proof of service by first class mail or in person of the response and any supporting documents on the tenants of all units affected by the petition. (Note that if the supporting documents exceed 25 pages, the Owner is not required to serve the supporting documents on the affected tenants provided that the owner petition was served as required and the petition or attachment indicates

¹ See O.M.C. § 8.22.090 (B).

² See O.M.C. § 8.22.500.

³ This can be done initially by affirming that all notices have been sent but may require additional evidence if the statement is contested.

that the additional documents are or will be available at the RAP and that the Owner will provide copies of the supporting documents to the tenant upon written request within 10 days.)

The response that you attempted to file was incomplete. The chart below indicates what is missing from your filing:

Name of Document	Needed
Proof of service of the response (and attachments where required) by first class mail or in person on all tenants in units affected by the response	X
Proof of payment of Business License Tax.	X
Proof of payment of the RAP Fee.	X

You have 30 days from the date of the mailing of this letter to provide a completed response. If you do not do so, your response will be dismissed. Since your response is incomplete, the RAP cannot accept the response, and any scheduled hearing will be postponed, if scheduled to occur in less than 30 days.

If you have any questions or concerns, consult RAP by email or phone. The email address is blothlen@oakalndca.gov, and the telephone number is 510-238-3721.

City of Oakland Dated: February 28, 2023

Rent Adjustment Program

Brittni Lothlen

PROOF OF SERVICE

Case Number: T23-0019

Case Name: Barragen et al v. Mead Holding LLC

I am a resident of the State of California at least eighteen years of age. I am not a party to the Residential Rent Adjustment Program case listed above. I am employed in Alameda County, California. My business address is 250 Frank H. Ogawa Plaza, Suite 5313, 5th Floor, Oakland, California 94612.

Today, I served the attached documents listed below by placing a true copy in a City of Oakland mail collection receptacle for mailing on the below date at 250 Frank H. Ogawa Plaza, Oakland, California, addressed to:

Documents Included

Notice of Incomplete Owner Response

Owner

Ahmed Said Mead Holding LLC 2400 Market Street, Suite B Oakland, CA 94607

Tenant

Reyes Ornelas 2031 69th Avenue, Unit C Oakland, CA 94621

Tenant

Maria Barragan 2031 69th Avenue, Unit C Oakland, CA 94621

I am readily familiar with the City of Oakland's practice of collection and processing correspondence for mailing. Under that practice an envelope placed in the mail collection receptacle described above would be deposited in the United States mail with the U.S. Postal Service on that same day with first class postage thereon fully prepaid in the ordinary course of business.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on **February 28, 2023** in Oakland, California.

Brittni Lothlen

Oakland Rent Adjustment Program

Brittni Lothlen

 From:
 Lothlen, Brittni

 To:
 Ahmed Said

 Bcc:
 Lambert, Elan

Subject: Re: T23-0019, Barragan v. Mead Holding LLC

Date: Friday, March 3, 2023 2:47:54 PM

Attachments: Notice of Incomplete Owner Response T23-0019 2023.02.28.pdf

Respondent Said:

Thank you for your email.

Your email correspondence has been saved to the case file and forwarded to the assigned hearing officer.

Please note there are no amendments allowed to a property owners response. Additionally, your property owner response received on February 1st, 2023 remains incomplete.

Please find a copy of the Notice of Incomplete Owner Response that was mailed from our office on February 28, 2023, attached to this email.

Best regards,

Brittni Lothlen

Rent Adjustment Program Assistant
City of Oakland
Department of Housing and Community Development
Rent Adjustment Program
250 Frank H. Ogawa Plaza, Suite 5313
Oakland, CA 94612
Blothlen@oaklandca.gov
www.oaklandca.gov/RAP

From: Ahmed Said <ahmedmead@gmail.com>

Date: Friday, March 3, 2023 at 9:52 AM

To: Lothlen, Brittni <BLothlen@oaklandca.gov>

Subject: Case No. T23-0019 Barragan v. Mead Holding LLC

[EXTERNAL] This email originated outside of the City of Oakland. Please do not click links or open attachments unless you recognize the sender and expect the message.

Greetings,

The following message is an addition to the response we previously submitted on January 31st. The

reason why the rent was \$1,300 is because Reyes Ornelas and I had a verbal agreement for him to pull out the garbage bins every Monday for all 6 units, and to keep the front and backyard clean. For this purpose, he received discounted rent. When the service was no longer being provided as agreed upon, we wrote to all tenants informing them to pull out their own garbage bins, and that we'd clean around the property. Also, the tenant (Maria and Reyes) grew frustrated because we provided them a storage room for free, and they had electricity attached (an extra refrigerator) attached to our house meter, so we notified them through text that we were going to need that area to expand the laundry room for all tenants, in which we did. We gave them a proper 60 day notice beforehand for the rent increase. Additionally, they also had 7 people living in the unit which cost us more water, but we never complained. Lastly, 10% of any upgrades to a building is supposed to be passed on to the tenants as we put in a brand new roof, and provided them with a new balcony door. Therefore, we increased the rent with fairness. Feel free to contact me if there are any questions Thank you

From: Lothlen, Brittni
To: Ahmed Said

Subject: Re: T23-0019, Barragan v. Mead Holding LLC Date: Wednesday, March 8, 2023 2:17:41 PM

Attachments: Amended Notice of Remote Settlement Conference and Hearing. Zoom Link T23-0019 2023.03.07.pdf

Respondent Said:

Thank you for your email.

Answers to your questions:

- 1. Please re-submit the owner response with the missing information.
- 2. An owner filing a response must submit evidence of a current business license and payment of the RAP fee. If you do not have the documents requested, you may contact the Business Tax Office by email at BTWebSupport@oaklandca.gov, or by phone at (510) 238-3704, for further assistance.
 - When paying online through the website, It has an option to print the Business License Online payment receipt. We need a receipt of acknowledgement showing proof that you paid your **2023** Business License and Rap fee.
- 3. You may email me directly once the documentation is corrected.
- 4. The hearing has been rescheduled to April 12th, 2023. Please find the Amended Notice of Remote Settlement and Conference attached to this email.

Best,

Brittni Lothlen

Rent Adjustment Program Assistant
City of Oakland
Department of Housing and Community Development
Rent Adjustment Program
250 Frank H. Ogawa Plaza, Suite 5313
Oakland, CA 94612
Blothlen@oaklandca.gov
www.oaklandca.gov/RAP

From: Ahmed Said <ahmedmead@gmail.com> Date: Wednesday, March 8, 2023 at 10:04 AM To: Lothlen, Brittni <BLothlen@oaklandca.gov>

Subject: Re: T23-0019, Barragan v. Mead Holding LLC

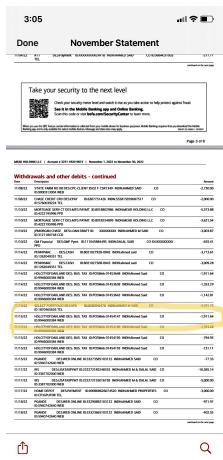
Hello Brittni,

Please confirm that these responses were received. We are awaiting your response.

Thank you

On Sun, Mar 5, 2023 at 1:44 PM Ahmed Said ahmedmead@gmail.com> wrote:

Attached is a screenshot of my bank account indicating proof of payment for the city business tax at 2031 69th ave. Also the business tax certificate that I previously sent is attached



On Sat, Mar 4, 2023 at 11:36 AM Ahmed Said ahmedmead@gmail.com> wrote:

We mailed the tenant a letter. Whether they received it or not, or act like they did not receive it, we sent it

On Fri, Mar 3, 2023 at 3:46 PM Ahmed Said ahmedmead@gmail.com> wrote:

Ηi,

I have a few questions that I wanted to ask for clarification

- 1. Do I need to submit a new response to the hearings unit, or can I re-submit the previous one with the info I was missing?
- 2. The RAP fee is included with the business license tax when paying online through the

website. Can I just send a screenshot of my bank account (the payment method I used to pay for the business tax in 2022)? Because there isn't a separate receipt showing the RAP fee of \$101 per unit.

- 3. Who do I email once all of the documentation is corrected?
- 4. Will the hearing remain on March 13th, or will it get postponed because of the incomplete response?

On Fri, Mar 3, 2023 at 2:47 PM Lothlen, Brittni < BLothlen@oaklandca.gov wrote:

Respondent Said:

Thank you for your email.

Your email correspondence has been saved to the case file and forwarded to the assigned hearing officer.

Please note there are no amendments allowed to a property owners response. Additionally, your property owner response received on February 1^{st} , 2023 remains incomplete.

Please find a copy of the Notice of Incomplete Owner Response that was mailed from our office on February 28, 2023, attached to this email.

Best regards,

Brittni Lothlen

Rent Adjustment Program Assistant

City of Oakland

Department of Housing and Community Development

Rent Adjustment Program

250 Frank H. Ogawa Plaza, Suite 5313

Oakland, CA 94612

Blothlen@oaklandca.gov

www.oaklandca.gov/RAP

From: Ahmed Said <<u>ahmedmead@gmail.com</u>>

Date: Friday, March 3, 2023 at 9:52 AM

To: Lothlen, Brittni < <u>BLothlen@oaklandca.gov</u>>

Subject: Case No. T23-0019 Barragan v. Mead Holding LLC

[EXTERNAL] This email originated outside of the City of Oakland. Please do not click links

or open attachments unless you recognize the sender and expect the message.

Greetings,

The following message is an addition to the response we previously submitted on January 31st. The reason why the rent was \$1,300 is because Reyes Ornelas and I had a verbal agreement for him to pull out the garbage bins every Monday for all 6 units, and to keep the front and backyard clean. For this purpose, he received discounted rent. When the service was no longer being provided as agreed upon, we wrote to all tenants informing them to pull out their own garbage bins, and that we'd clean around the property. Also, the tenant (Maria and Reyes) grew frustrated because we provided them a storage room for free, and they had electricity attached (an extra refrigerator) attached to our house meter, so we notified them through text that we were going to need that area to expand the laundry room for all tenants, in which we did. We gave them a proper 60 day notice beforehand for the rent increase. Additionally, they also had 7 people living in the unit which cost us more water, but we never complained. Lastly, 10% of any upgrades to a building is supposed to be passed on to the tenants as we put in a brand new roof, and provided them with a new balcony door. Therefore, we increased the rent with fairness. Feel free to contact me if there are any questions Thank you

DALZIEL BUILDING • 250 FRANK H. OGAWA PLAZA, SUITE 5313 • OAKLAND, CALIFORNIA 94612-2034

Housing and Community Development Department Rent Adjustment Program TEL (510) 238-3721 FAX (510) 238-6181 CA Relay Service 711

ADMINISTRATIVE DECISION

CASE NUMBER T23-0019

CASE NAME: Barragan et al v. Mead Holding LLC

PROPERTY ADDRESS: 2031 69th Avenue, Unit C

Oakland, CA

PARTIES: Maria Barragan, Tenant

SUMMARY OF DECISION

The Tenant's Petition is granted.

INTRODUCTION

Reason for Administrative decision: An Administrative Decision is issued without a hearing. The purpose of a hearing is to allow the parties to present testimony and other evidence to allow the resolution of disputes of material fact. However, in this case, sufficient uncontested facts have been presented to issue a decision without a hearing, and no material facts are disputed. Therefore, an administrative decision, without a hearing, is being issued.

BACKGROUND

On January 23, 2023, the Tenant filed the petition herein. The petition contests rent increases alleged from \$1,000.00 to \$1,300.00, effective December 1, 2019, and from \$1,300.00 to \$1,500.00, effective December 2022, on the grounds that the rent increase exceeds the legally allowable amount.

The petition, completed under penalty of perjury, indicates that that Tenant was never given a RAP Notice,¹ including with the Notices of Rent Increase challenged.

The Owner filed an Owner Response on February 1, 2023. A Notice of Incomplete Owner Response was sent to the Respondent on February 28, 2023.² The Respondent was given 35 days to file the necessary documents and a proof of service of their petition. To date, no new documents were filed, no proof of service was filed, and the response was not completed. Therefore, the response cannot be considered filed and complete. Accordingly, any documentation submitted with the response is inadmissible.³

RATIONALE FOR ADMINISTRATIVE DECISION

2019 Rent Increase

The Rent Adjustment Ordinance (Ordinance) requires an owner to serve a RAP Notice at the start of a tenancy⁴ and with any notice of rent increase or change in any term of the tenancy.⁵ An owner may cure the failure to give notice at the start of the tenancy. However, a notice of rent increase is not valid if the effective date of increase is less than six months after the Tenant first receives the required RAP notice.⁶

It is undisputed that the Tenant moved into the subject unit in 2013. The petition was filed under penalty of perjury and states that the Tenant was not given a RAP Notice including with the Notices of Rent Increase challenged. Accordingly, there is no evidence that the Tenant received the RAP Notice at the inception of the tenancy or with the rent increases challenged. Therefore, it is found that the Tenant has not been provided with a RAP Notice. Accordingly, the Notice of Rent Increase from \$1,000.00 to \$1,300.00, is invalid. Accordingly, the legal rent for the subject unit remained at \$1,000.00.

2022 Rent Increase

Oakland City Council Ordinance 13589 CMS, adopted on March 27, 2020, states as follows at Section 4:

¹ Notice to Tenants of the Residential Rent Adjustment Program.

² O.M.C. Section 8.22.090(B)

³ O.M.C. Section 8.22.070(C). Santiago v. Vega, Case

⁴ O.M.C. Section 8.22.060.

⁵ O.M.C. Section 8.22.070.

⁶ O.M.C. Section 8.22.060(C)

Rent Increase Moratorium.

For rental units regulated by Oakland Municipal Code 8.22.010 et seg, any notice of rent increase in excess of the CPI Rent Adjustment, as defined in Oakland Municipal Code Section 8.22.020, shall be void and unenforceable if the notice is served or has an effective date during the Local Emergency, unless required to provide a fair return. Any notice of rent increase served during the Local Emergency. shall include the following statement in bold underlined 12point font: "During the Local Emergency declared by the City of Oakland in response to the COVID-19 pandemic, your rent may not be increased in excess of the CPI Rent Adjustment (3-5% until June 30, 2020), unless required for the landlord to obtain a fair return. You may contact the Rent Adjustment Program at (510.) 238—37.21 for additional information and referrals."

When the Rent Increase Moratorium was enacted, the CPI Rent Adjustment was 3-5%. The Moratorium clearly states that this CPI is in effect "until June 30, 2020." As of July 1, 2022, the CPI Rent Adjustment is 3%. The Local Emergency remains in the City of Oakland. Therefore, increasing the Tenant's base rent above 3%, or \$30.00, violates the Moratorium. Therefore, the Owner's Notice of Rent Increase of \$200.00 is invalid. Additionally, the Notice of Rent Increase did not include the required statement in bold, underlined 12-point font, and is likewise on this basis invalid as well.

Notwithstanding, whether the Tenant was served the RAP Notice with the 2022 Rent Increase, the increase would still be invalid since the amount of the increase violated the Moratorium. Accordingly, the legal rent for the subject unit remained at \$1,000.00.

ORDER

- 1. Petition T23-0019 is granted.
- 2. The legal rent for the subject unit remains \$1,000.00.

- 3. The 2019 and 2022 rent increases are not valid. The legal rent for the subject unit remains at \$1,000.00. If the Tenant paid an amount over the legal rent for the subject unit, the parties are instructed to calculate the total rent overpayment and deduct the credit amount in thirty or fewer monthly installments from the Tenant's monthly rent after this decision becomes final. The decision becomes final if no party files an appeal within 20 days after the decision is mailed to the parties.
- 4. The Remote Settlement Conference and Hearing, scheduled for April 12, 2023, is canceled.

Right to Appeal: This decision is the final decision of the Rent Adjustment Program Staff. Either party may appeal this decision by filing a properly completed appeal using the form provided by the Rent Adjustment Program. The appeal must be received within seventeen (17) calendar days of electronic service or twenty (20) days if served by first-class mail. If the last day to file is a weekend or holiday, the appeal may be filed on the next business day. The date and service method are shown on the attached Proof of Service.

Dated: April 5, 2023

Élan Consuella Lambert

Hearing Officer

Rent Adjustment Program

PROOF OF SERVICE

Case Number: T23-0019

Case Name: Barragen et al v. Mead Holding LLC

I am a resident of the State of California at least eighteen years of age. I am not a party to the Residential Rent Adjustment Program case listed above. I am employed in Alameda County, California. My business address is 250 Frank H. Ogawa Plaza, Suite 5313, 5th Floor, Oakland, California 94612.

Today, I served the attached documents listed below by placing a true copy in a City of Oakland mail collection receptacle for mailing on the below date at 250 Frank H. Ogawa Plaza, Oakland, California, addressed to:

Documents Included

Administrative Decision

Owner

Ahmed Said Mead Holding LLC 2400 Market Street, Suite B Oakland, CA 94607

Tenant

Reyes Ornelas 2031 69th Avenue, Unit C Oakland, CA 94621

Tenant

Maria Barragan 2031 69th Avenue, Unit C Oakland, CA 94621

I am readily familiar with the City of Oakland's practice of collection and processing correspondence for mailing. Under that practice an envelope placed in the mail collection receptacle described above would be deposited in the United States mail with the U.S. Postal Service on that same day with first class postage thereon fully prepaid in the ordinary course of business.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on **Apirl 6, 2023** in Oakland, California.

Brittni Lothlen

Oakland Rent Adjustment Program

Brittni Lothlen



CITY OF OAKLAND RENT ADJUSTMENT PROGRAM

250 Frank H. Ogawa Plaza, Suite 5313 Oakland, CA 94612-0243 (510) 238-3721 CA Relay Service 711 www.oaklandca.gov/RAP

For Rent Ac	liustment	Program	date	stamp.
-------------	-----------	---------	------	--------

APPEAL

Appella	nt's Name		
Ahmed	Said		☐ Tenant
Property	y Address (Include Unit Number)	4	
2031 69	th Avenue, Unit C, Oakland, Ca 94621		
100	nt's Mailing Address (For receipt of notices)	Case Number T23-0019	
2400 [Market St Suite B, Oakland, Ca 94607	Date of Decision	appealed
		April 18th, 202	
Name of	f Representative (if any)	Representative's notices)	Mailing Address (For
be provided below inc 1) There	elect your ground(s) for appeal from the list beloted responding to each ground for which you are cludes directions as to what should be included are math/clerical errors that require the Hearing lain the math/clerical errors.) along the decision for one of the grounds below	e appealing. Each in the explanation g Decision to be up	ground for appeal listed
a)	☐ The decision is inconsistent with OMC Chap decisions of the Board. (In your explanation, you Regulation or prior Board decision(s) and describ	ou must identify the (Ordinance section,
b)	☐ The decision is inconsistent with decisions explanation, you must identify the prior inconsiste inconsistent.)	issued by other He nt decision and expl	earing Officers. (In your lain how the decision is
c)	☐ The decision raises a new policy issue that explanation, you must provide a detailed statement decided in your favor.)	has not been decion tof the issue and w	led by the Board. (In your why the issue should be
d)	☐ The decision violates federal, state, or local detailed statement as to what law is violated.)	law. (In your explar	nation, you must provide a
e)	☐ The decision is not supported by substantial explain why the decision is not supported by subs		

- f) I was denied a sufficient opportunity to present my claim or respond to the petitioner's claim. (In your explanation, you must describe how you were denied the chance to defend your claims and what evidence you would have presented. Note that a hearing is not required in every case. Staff may issue a decision without a hearing if sufficient facts to make the decision are not in dispute.)
- g) ☐ The decision denies the Owner a fair return on the Owner's investment. (You may appeal on this ground only when your underlying petition was based on a fair return claim. You must specifically state why you have been denied a fair return and attach the calculations supporting your claim.)
- h) 🗵 Other. (In your explanation, you must attach a detailed explanation of your grounds for appeal.)

Supporting documents (in addition to this form) must *not* exceed 25 pages, and must be received by the Rent Adjustment Program, along with a proof of service on the opposing party, within 15 days of the filing of this document. Only the first 25 pages of submissions from each party will be considered by the Board, subject to Regulations 8.22.010(A)(4). *Please number attached pages consecutively. Number of pages attached:* 25_.

• You must serve a copy of your appeal on the opposing parties, or your appeal may be dismissed. • I declare under penalty of perjury under the laws of the State of California that on April 18th , 20 23 I placed a copy of this form, and all attached pages, in the United States mail or deposited it with a commercial carrier, using a service at least as expeditious as first-class mail, with all postage or charges fully prepaid, addressed to each opposing party as follows:

<u>Name</u>	Maria Barragan	
Address	2031 69th Avenue, Unit C	<u> </u>
City. State Zip	Oakland, Ca 94621	
Name	Reyes Ornelas	7.5
Address	2031 69th Avenue, Unit C	380
City. State Zip	Oakland, Ca 94621	

4/18/23

SIGNATURE of APPELLANT or DESIGNATED REPRESENTATIVE

DATE



CITY OF OAKLAND RENT ADJUSTMENT PROGRAM

250 Frank H. Ogawa Plaza, Suite 5313 Oakland, CA 94612-0243 (510) 238-3721 CA Relay Service 711 www.oaklandca.gov/RAP For Rent Adjustment Program date stamp.

PROOF OF SERVICE

NOTE: YOU ARE REQUIRED TO SERVE A COPY OF YOUR PETITION OR RESPONSE (PLUS ANY ADDITIONAL DOCUMENTS) ON THE OPPOSING PARTIES.

- Use this PROOF OF SERVICE form to indicate the date and manner in which service took place, as well as the person(s) served.
- Provide a <u>copy</u> of this PROOF OF SERVICE form to the opposing parties together with the document(s) served.
- File the completed PROOF OF SERVICE form with the Rent Adjustment Program together with the document you are filing and any attachments you are serving.
- Please number sequentially all additional documents provided to the RAP.

PETITIONS FILED WITHOUT A PROOF OF SERVICE WILL BE CONSIDERED INCOMPLETE AND MAY BE DISMISSED.

I served a copy of:	Appeal to Tenants' Submission (Case No. T23-0019)
	(insert name of document served)
	☐ And Additional Documents
Response served	of attached pages) attached pages (not counting the Petition or or the Proof of Service) to each opposing party, whose name(s) and address(es) are e of the following means (check one):
b. De class r listed b. C. Pe person some p	ersonal Service. (1) By Hand Delivery: I personally delivered the document(s) to the n(s) at the address(es) listed below; or (2) I left the document(s) at the address(es) with person not younger than 18 years of age.
PERSON(S) SERV	/ED:
Name	Maria Barragan
Address	2031 69th Avenue, Unit C
City, State, Zip	Oakland, Ca, 94621

City of Oakland Rent Adjustment Program Proof of Service Form 10.21.2020

	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Name	Reyes Ornelas
Address	2031 69th Avenue, Unit C
City, State, Zip	Oakland, Ca, 94621
,	
Name	
Address	
City, State, Zip	
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Name	
Address	
City, State, Zip	
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City, State, Zip	
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Address	
City, State, Zip	
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Address	
Address	
City, State, Zip	

To serve more than 8 people, copy this page as many times as necessary and insert in your proof of service document. If you are only serving one person, you can use just the first and last page.

City of Oakland Rent Adjustment Program Proof of Service Form 10.21.2020

I declare under penalty of perjury under the laws of the State of Califorometric and the documents were served on/_/ (insert date set	
Ahmed Said	
PRINT YOUR NAME A A A A A A A A A A A A A	04/18/23
SIGNATURE	DATE

City of Oakland Rent Adjustment Program Proof of Service Form 10.21.2020

Page 1 of 25

Appeal to Tenant Submission

Pages 1-6	Response to appeal decision
Page 7	Email/photo of letter to tenant
Pages: 8-9	Copies of Roofing Work Order & Invoice
Pages 10-13	Picture of roof/work completed
Page 14	Extension cord
Page 15	New Balcony Door
Pages 16-20	Texts & photos of tenants not meeting their end of agreement
Pages 21-22	Unpermitted structure built without consent
Pages 23-25	Article for allowable increases per city website

Response to Appeal Decision

Case Number: T23-0019

Case Name: Barragen et al v. Mead Holding LLC

F) I was denied a sufficient opportunity to present my claim because a decision was made without giving me an opportunity to be heard.

BACKGROUND

Where does it show that Reyes and Maria were paying \$1,000 for monthly rent when they moved in? The reason we are appealing this is because the tenants and I had an agreement when they first moved in that the monthly rent would be \$1,300, but if they were to pull out the garbage bins every Monday for all 6 units, and keep the front and backyard clean, then they would pay \$1,000, only if they were able to hold up their end of the agreement.

Also, we provided the tenants (Maria and Reyes Ornelas) a storage room for free, and they grew frustrated when we <u>requested</u> that extra storage space to expand the laundry room for the building. We then notified them through text that we were going to need that area to expand the laundry room for all tenants, which we did.

- When the service was no longer being provided as agreed upon, we wrote to all tenants informing them to pull out their own garbage bins, and that we'd clean around the property.
- The tenants had an extra refrigerator attached to our house meter using an extension cord without our consent. The extension cord poses a high risk as it could have led to a fire endangering the lives of those around them, and an increase in our monthly electricity bill.
- 3. The tenants also had 7 people living in the unit which cost us more water, but we never complained.
- 4. Since 2031 69th avenue is a commercial property, the fire department conducts an annual inspection in search of any violations that put individuals at risk. The tenants built a structure on the balcony without consent, and that structure was cited as a violation by the fire department.
- 5. Each unit has ONE parking spot allocated to them for their use, allowing them to park up to one vehicle in the parking lot. The Barragen family have violated this several times as they park their vehicles in prohibited areas, given that there is a parking spot already provided to them. All tenants with more than 1 vehicle must use street parking.
- 6. Capital improvements to a building shall be passed on to the tenant as a prorated charge. A landlord is able to increase the rent due to capital improvements made

to the building. In November 2022, we changed the roof, windows, balcony door, and made repairs for a total of \$40,000. In the article titled "Learn More About Allowable Rent Increases", uninsured repair costs are losses that are not reimbursed to the property owner related to disasters. We made several upgrades to the property in preparation for the record breaking rainstorms to ensure our tenants' living space(s) were tolerable.

Rent Increase Moratorium

1. At the inception of their tenancy, we provided the tenants with an RAP notice. The tenants claiming that they were not able to retain the notice that was provided to them may be due to the fact that they moved in 10 years ago. A final decision was made that "the rent increase" in 2019 is invalid. This decision was unfair because the rent was not increased, it was set back at its original amount.

2. In response to page 5 of 22:

- As stated before, the rent was not increased. The monthly rent was set back to its original amount that we agreed to when they moved in, at \$1,300.00 well before the rent increase moratorium was in effect. In 2019, we provided the tenants with a 60 day notice that the rent would return to its original amount of \$1,300 because they were no longer providing their services. We presented the tenants with an official 60 day notice because we are aware that notifying tenants for any purpose must be done in writing.

H) Other

- I have been denied a fair investigation because the tenants and I had an initial agreement when they first moved in that the rent due each month would be \$1,300. We had a verbal agreement that their rent payable for each month would be \$1,000 IF they provided those services. Once the services weren't provided any longer, we provided the tenants with a notice over 60 days prior to the amount going into effect. We <u>DID NOT</u> increase the rent to \$1,300, rather the rent was set back to its original amount that we agreed to when they first moved in.
- According to page 3 of the Proof of Service from the tenant, it is stated that the notice of rent increase is not in bold, or 12 point font, which is false. We specifically bolded the notice of rent increase statement, and used 12 point font on both letters. We issued the tenants two letters: one in English, and another in Spanish because Spanish is their primary language. Providing a letter in both languages was to ensure effective communication. Nothing was withheld from them because we did nothing wrong.

Increased housing service costs

 Attached below is a breakdown of operating expenses due to keep the building running, and to allow all utilities to function and meet the needs of our tenants.
 Please refer to the Increased housing service costs attached on pages 23-25.

2022 Expenses

1. PG&E Monthly Bill: \$400.00 PG&E bill Annually: \$3,600

2. EBMUD Monthly Bill: \$450.00 EBMUD Bill Annually: \$5,400.00

3. Waste Management Monthly Bill: \$376.23 Waste Management Annually: \$4,514.76

Property Tax Monthly: \$1,298.64
 Property Tax Annually: \$15,583.78

City Tax Monthly: \$159.30
 City Tax Annually: \$1,911.64

6. Rent Adjustment Program: \$101 per unit (6 units): \$606.00

7. Property Insurance Monthly: \$208.33 Property Insurance Annually: \$2,500

Mortgage Expense Monthly: \$2,800
 Mortgage Expenses Annually: \$33,600

Pest Control Per Month: \$100
 Pest Control Per Year: \$1,200

Landscaping Per Month: \$100
 Landscaping Per Year: \$1,200

11. MGMT fees Per month: \$400 MGMT fees per year: \$4,800

12. Software Subscription month: \$50.00 Software Subscription Per Year: \$600

Monthly Expenses Total: \$6,393.00 Annual Expenses Total: \$75,516.18

-How can the rent be set at \$1,000 after 10 years without any increases? During the pandemic, city officials allowed tenants to withhold rent for months, or even years at a time, but landlords were still expected to pay City tax, RAP fee, and other taxes. It's unfortunate that city officials sitting behind a desk are able to make final decisions for a landlord, or any business owner without taking the full story into account.

-On September 24, 2022, we notified the tenants through letters in both Spanish and English that the rent would be increased from \$1,300 to \$1,500 due to increased operating expenses, giving them over 60 days. According to the City of Oakland article titled "Learn More About Allowable Rent Increases", rent increases that exceed the CPI increase may be justified for:

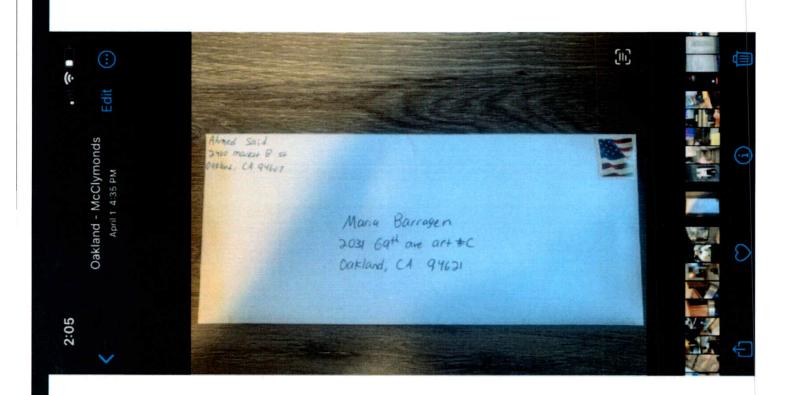
- 1. CPI, banking, and capital improvements can be passed through as a rent increase in a single petition.
- Landlords cannot apply a rent increase based on a CPI increase with an increase based on increased housing service costs or fair return. Increased housing service costs or fair housing justifications replace the CPI increase. Refer to the attachment on pages 23-25.

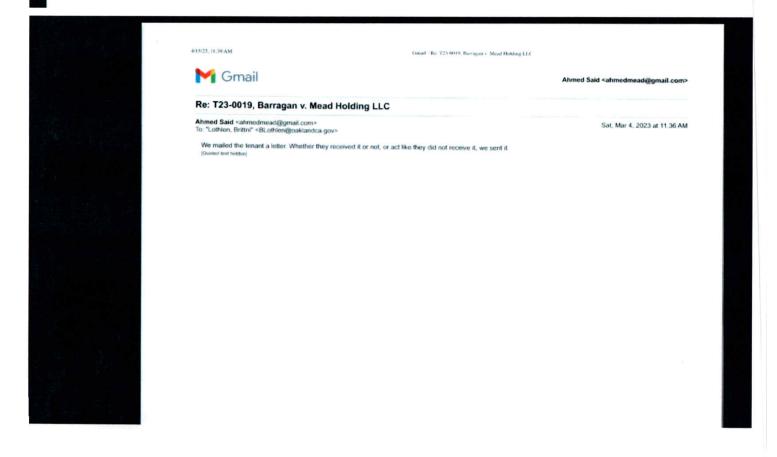
In response to page 22 of 22: In July 2022, Maria Barragan requested a letter from me claiming that she needed a letter of proof from her landlord for immigration purposes. I was only doing Ms. Barragan a favor so that she wouldn't encounter any issues regarding her immigration status. She fraudulently used immigration as an excuse to receive a recommendation letter from me, that is now being used against me.

Closing Statement: We ask that you please do not make a decision without speaking to us. We are appealing because we did everything within the law, and our zoom meeting scheduled for Wednesday, April 12th regarding the landlord/tenant hearing was canceled without proper notice. We were on zoom for 30 minutes for the scheduled hearing, but heard nothing back from the hearing officer. A final decision was sent through the mail without speaking to the landlord, so we ask that if our appeal is not granted, you may discuss further with my attorney.

Name: Josh P. DavisPhone: (510) 207-2472







	Page 8 Of 75	
Work Order #	7-1	
Status	Assigned	
Created On	11/14/2022	
Estimate Requested On	11/15/2022	
Estimate Amount	\$26,600.00	
Estimated On	11/16/2022	
Scheduled On	11/18/2022	
Completed On	11/23/2022	
Job Site	2031 69th ave 2031 69th ave Oakland, CA 94621	
Pet(s)		

Tenant(s)

To: Migael

No Current Tenant

Mead Property Mgmt 2400 Market St suite B Oakland, CA 94607 Phone - (510) 812-3277

Phone - (510) 200-1509

Tenant Availability

Description

Need to replace the roof for the property because the raining season is approaching. Migael will be available to start the work around November 18th.

Vendor Instructions

Company Name: MEX SOLUTIONS Phone Number: (510) 200-1509

Authorized By:

Signed By:

Dated By:

Invoice #:

Technician's Notes:

MEX SOLUTIONS

ROOFING INVOICE

LIC # 944015 2685 D ST HAYWARD CA 94541 (650) 520-4816

		11/25/22		PROPOSAL NO.	
OWNER/BUYER NAME Ahmed Said		OWNERS			
OWNER S CITY STATE & POSTAL CODE 2031 69th AVE PROJECT NAME		(510) 812-3277 PROJECT ADDRESS		OWNER'S WORK PHONE	
PROJECT CITY STATE & POSTAL CODE Oakland, Ca 94621		PROJECT PHONE	- 1 11	PROJECT PHONE 2	
CONSTRUCTION TO BEGIN	CONTRACT COMPLETION DATE	DATE OF PLANS	ARCHITECT	ENGINEER	
We hereby propose to furnish the	e following work:				
We did an inspection on	the roof, and determine	ed that it needed to b	e changed	. We replaced the entire	
	agrees to pay Contractor a PRO ement is a cash transaction wh	DPOSED total cash price of herein no financing is conte	\$ 26,600 mplated and c	0.00 Dollars. contractor acts in reliance on said	
representation. THE PAYMENT SCHEDULE WIL	L BE AS FOLLOWS:				
1. Down payment of \$ \$7,000	.00	2. Payment schedule	e as follows		
\$7,000.00 on 11/20, and				•	
THIS IS A BID PROPOSAL WACCEPTED, A MORE FORMAINCLUDING ALL YOUR RIGHTS You are hereby authorized to retundersigned agrees to pay the an	ACCEPTAN urn a formal contract between a nount stated in said proposal an	E PREPARED PROVIDINGEL. NCE OF PROPOSAL us to accomplish the work of according to the terms the	described in the	D TERMS AND CONDITIONS	
Contractor/Seller Signature	Date:	Owner/Buyer Authorized Signatu	se .	Date	
Contractor/Seller Signature	Date	Owner/Buyer Authorized Signatu	ure	Date	

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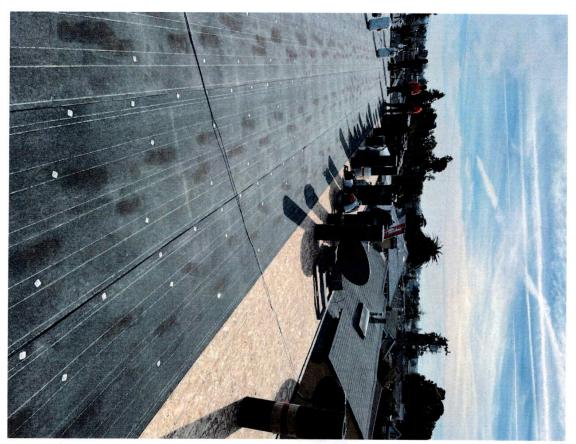


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Oakland - Hegenberger November 19, 2022 at 12:14:59 PM · 28,954 of 31,102



Oakland - Hegenberger November 21, 2022 at 11:29:38 AM · 28,975 of 31,102

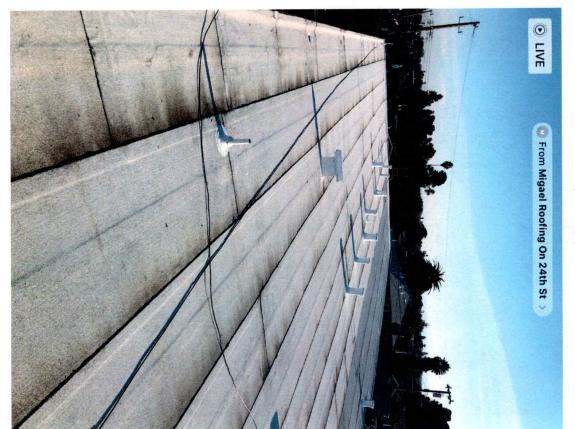
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Save Shared Photo

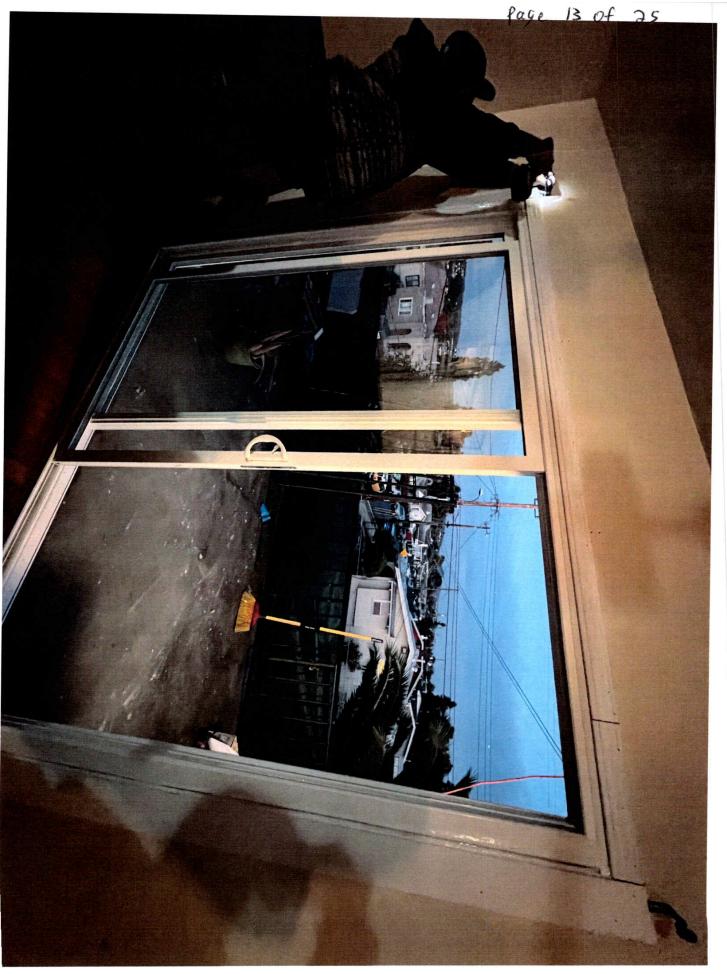














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December 6, 2022 at 2:27:39 PM · 29,122 of 31,102

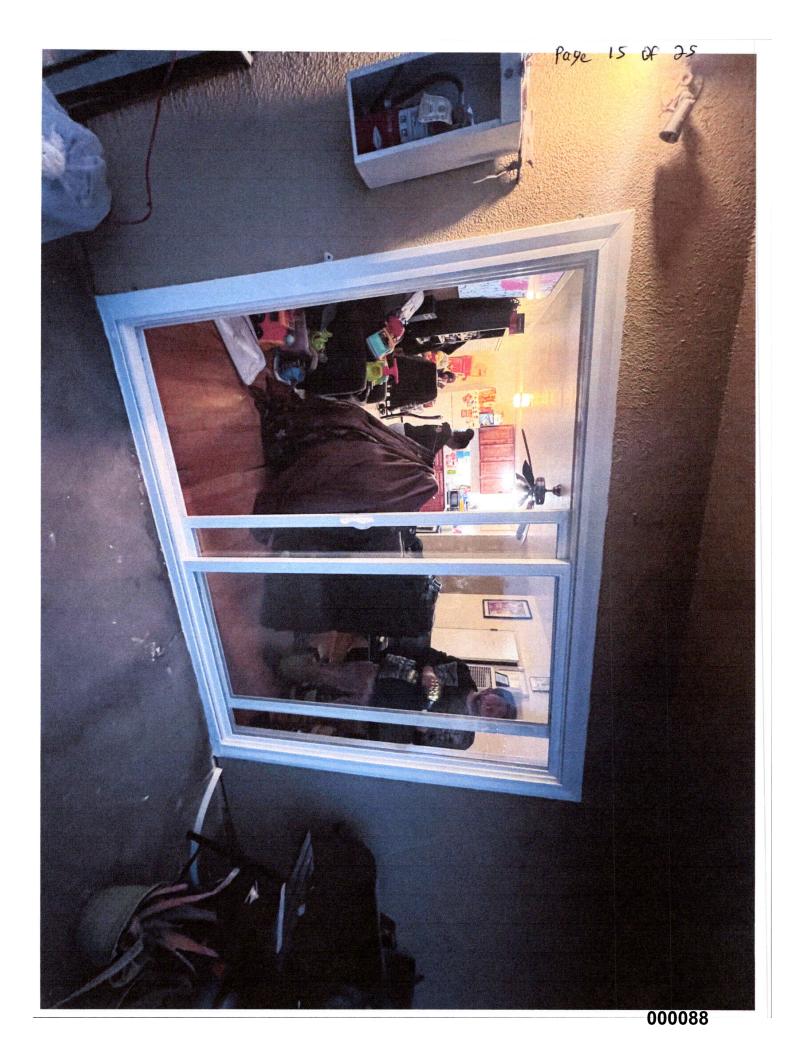
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April 9, 2016 10:41 AM



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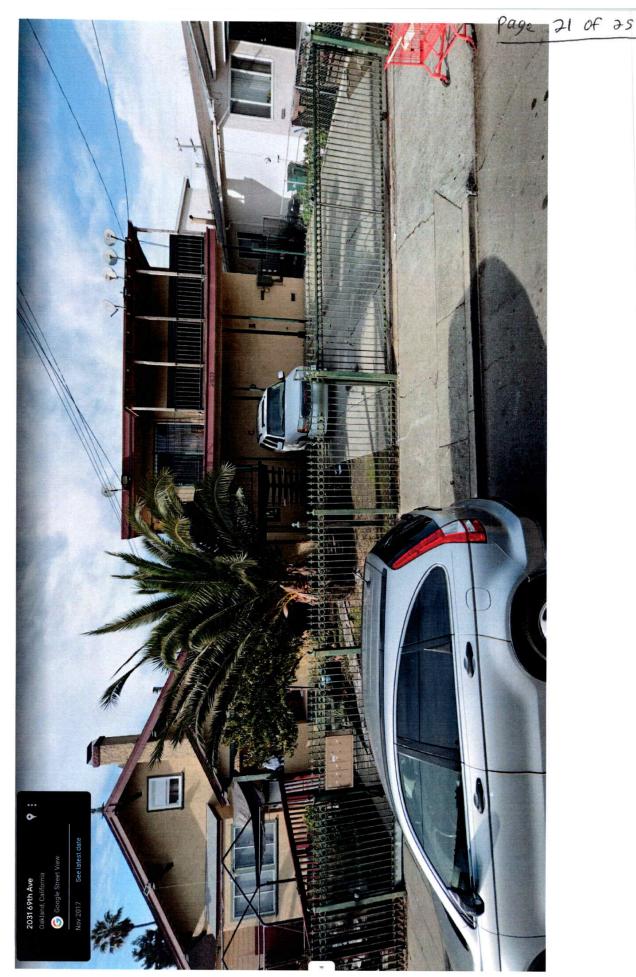












The "CPI rate" takes effect on each July 1 and remains in effect through June 30 of the following year. A property owner can raise rent above the CPI rate, based on certain justifications.

- Banking
- Increased housing service costs
- Capital improvements
- Uninsured repair costs
- Fair return

Banking

Banking refers to deferred allowed annual rent increases. Annual rent increases that were not applied either fully or completely, can be applied in future years. Property owners may defer applying annual rent increases up to 10 years. Rent increases that were not imposed within 10 years expire. If challenged, evidence of the rental history of the subject unit is required.

- Banking Rent Increase Calculator Instructions
- Banking Rent Increase Calculator

Increased housing service costs

Housing service costs are expenses for services provided by the property owner. The costs are related to the use of a rental unit. These costs are also known as "operating expenses".

If a tenant challenges a rent increase, the landlord must present evidence to prove all claimed expenses. Staff will compare the most recent two years of operating expenses to determine if a rent increase is justified. The calculation in both years must provide a reasonable comparison of all expenses. You may not isolate any

single expense.

Expenses considered include:

- 1. Business license and insurance,
- 2. Utilities (electricity, gas, water, garbage)
- 3. Maintenance and repairs
- 4. Managerial costs
- 5. Other legitimate annually recurring expenses to operate the rental property, except debt service
- Increased Housing Costs Rent Increase Calculator

Capital improvements

Capital improvements include improvements to the property. A landlord may apply a rent increase to reimburse themselves for property improvements that benefit the tenants. Reimbursement is limited to 70% of the cost of the improvement amortized over its useful life. Property owners must also show that these costs were paid. Examples include: copies of receipts, invoices, bid contracts or other documentation.

- <u>Capital Improvements Rent Increase Calculator Instructions</u>
- <u>Capital Improvements Rent Increase Calculator</u>

Uninsured repair costs

Uninsured repair costs are losses that are not reimbursed to the property owner. These losses are related to damage from fire, earthquake, or other disasters. These costs must be associated with repairs to meet state or local laws. An increase for uninsured repairs is calculated the same way as an increase for capital improvements.

Fair return

A property owner may submit evidence to show that without the requested rent increase he or she is being denied a fair return on the investment. A property owner must show that the return on the investment is less than the return for an investment of similar risk.

The property owner is required to provide three things.

- 1. Proof of the amount of investment
- 2. Evidence of the return from other investments of similar risk
- An analysis of the rate of return from the rental property, including any appreciation in the value of the property.

Rent increases that exceed the CPI increase may be justified for one or more of the reasons listed. Owners may used more than one justification to increase the rent at the same time.

- CPI, banking, and capital improvements can be passed through as a rent increase in a single petition.
- Landlords cannot apply a rent increase based on a CPI increase with an increase based on increased housing service costs or fair return. Increased housing service costs or fair housing justifications replace the CPI increase.

Rent increases that exceed the CPI increase may be valid for one or more of the reasons. Owners may combine more than one justification to increase the rent at the same time.

- Owners can combine CPI, banking, and capital improvements for a rent increase in one petition.
- Landlords cannot combine CPI with increased housing service costs or fair return.
- Increased housing service costs or fair housing justifications replace the CPI increase.

1 2 3 4 5 6	Gregory T. Ching (SBN 330719) gching@centrolegal.org CENTRO LEGAL DE LA RAZA 3400 E. 12th Street Oakland, CA 94601 Telephone: (510) 437-1554 Facsimile: (510) 255-6069 Attorney for Tenant-Respondent Maria Barrag OAKLAND RENT AD	gan JUSTMENT PROGRAM			
8	BARRAGAN, ET AL.,	Case No.: T23-0019			
9	Tenant-Respondent,	TENANT-RESPONDENT MARIA BARRAGAN'S REPLY BRIEF IN			
10	VS.	SUPPORT OF TENANT PETITION			
11	MEAD HOLDING LLC,				
12	Property Owner-Appellant.				
13					
14 15 16	Tenant-Respondent Maria Barragan her Mead Holding LLC's appeal brief.	reby submits this brief in response to Appellant			
17	I. FACTS AND PROCEDURAL HISTORY				
18	In notices dated September 12, 2019, and December 1, 2019, Tenant-Respondent Maria				
19	Barragan ("Tenant") received a rent increase from Appellant Ahmed Said (doing business as				
20	Mead Holding LLC) ("Owner"), which imposed an increase from \$1,000.00 per month to				
21	\$1,300.00 per month (the "2019 Rent Increase"). On September 24, 2022, Tenant received				
22					
23	\$1,500 per month (the "2022 Rent Increase"). Tenant has paid the corresponding demanded				
24	amounts for both the 2019 and 2022 Rent Increases, as demonstrated in the Tenant Evidence Submission in this action. Neither the 2019 Rent Increase nor the 2022 Rent Increase included				
25	proper notice, and both were in excess of the a				
26	propor notice, and both were in excess of the a	no maore of 1 Ront Pagastinent.			
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II. <u>LEGAL ARGUMENT</u>

not include the required moratorium statement.

with proof of service dated March 31, 2023.

Owner has asserted a number of arguments that misunderstand the requirements for rent increases under the Oakland Municipal Code. Owner mischaracterizes the nature of the 2019 Rent Increase, and premises such mischaracterization on false allegations. Owner also attempts to confuse the issues by raising arguments and allegations for the first time that should have been raised in Owner's Responses and not on Appeal. These arguments and allegations go beyond the scope of the Petition and this Appeal.

Upon learning of the illegality of the rent increases, Tenant timely filed a Tenant

Petition in the above-captioned action. Tenant served on Owner and timely filed with the Rent

Evidence Submission included copies of the 2019 Rent Increase Notice, the 2022 Rent Increase

Owner filed two separate Owner Responses in this action prior to this appeal. The first

Adjustment Program the Tenant Evidence Submission on February 28, 2023. The Tenant

submitted response was dated January 31, 2023. Analyst Brittni Lothlen sent a Notice of

2023, noting that Owner did not provide proper proof of service, proof of payment of the

Incomplete Owner Response to Owner and to all affected Parties to this action on February 28,

Business License Tax, and proof of payment of the RAP fee. Owner filed a second Response,

the Tenant Petition. In coming to her decision, the Hearing Officer noted that there was no

evidence that Tenant received the required RAP Notice either at the inception of her tenancy or

not abide by the requirements of Oakland City Council Ordinance 13589 C.M.S. (the "Oakland

Moratorium" or "Rent Increase Moratorium") because the 2022 Rent Increase Notice imposed

an increase in excess of the relevant CPI Rent Adjustment of 3%, and because the Notice did

with the 2019 Rent Increase. The Hearing Officer also noted that the 2022 Rent Increase did

On April 5, 2023, Hearing Officer Elan Consuella Lambert issued a decision granting

Notice, Tenant rent payment receipts, and signed correspondence from Owner.

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A. Owner Was Not Denied a Sufficient Opportunity to Be Heard

Owner argues that the decision was issued without giving Owner a sufficient opportunity to be heard. This argument is premised on an incorrect understanding of the law.

First, Owner was not denied a sufficient opportunity to be heard because Owner had sufficient time to file an Owner Response and assert any defenses he may have had at that time. In fact, Owner filed two (2) separate Owner Responses: the first, on January 31, 2023; and, after receiving the Notice of Incomplete Owner Response, a second on March 31, 2023. Owner had over 60 days to present counterarguments, as the Tenant Petition was filed on January 20, 2023. A property owner's filed response to a tenant petition will be considered by the hearing officer. Owner's two filed Owner Responses constitute an opportunity to be heard. The fact that Owner is unhappy that his two Responses were insufficient to defend against Tenant's meritorious claims, and that the Hearing Officer held that the Petition could be decided by Administrative Decision, does not constitute a denial of a sufficient opportunity to be heard. Owner was heard through his Responses.

Second, a hearing is not required in all RAP cases. The Oakland Municipal Code empowers Hearing Officers with the authority to issue a decision without a hearing. Oakland Mun. Code § 8.22.110(F). A Hearing Officer may issue such an administrative decision where, among other things: the petition or response forms have not been properly completed or submitted; the petition or response forms have not been filed in a timely manner; the required prerequisites to filing a petition or response have not been met; or when, "[t]he petition and response forms raise no genuine dispute as to any material fact, and the petition may be decided as a matter of law." *Id.*: Oakland Rent Adjustment Program Mun. Regulations, § 8.22.110(G). In this case, Owner did not properly complete the Owner Response initially, did not file the second Response in a timely manner, did not include the required prerequisites to filing an Owner Response, and most importantly, failed to raise a genuine dispute as to any material fact, for all of the reasons that will be discussed below. As a result, the Hearing Officer was well within her authority to issue a decision without a hearing.

Furthermore, the Rent Adjustment Program generally falls within those requirements of California civil law. There are a variety of well-established legal principles that allow a judge or fact finder to reach a decision without a hearing, and some even without evidence. Examples include decisions on motions for judgment on the pleadings, motions for summary judgment, and motions for summary adjudication. *See, e.g.*, Cal. Code Civ. P. §§ 438, 437c. Merely filing a Response, especially one that fails to raise any genuine dispute over any material fact, does not guarantee either a tenant or a property owner a hearing. The Hearing Officer's Administrative Decision does not constitute a denial of Owner's opportunity to be heard.

B. The 2022 Rent Increase

The 2022 Rent Increase was plainly and facially unlawful, and properly invalidated by the Hearing Officer. The 2022 Rent Increase, which required an increase in Tenant's rental payments from \$1,300 per month to \$1,500 per month, did not meet multiple requirements under the Oakland Municipal Code.

First, the 2022 Rent Increase Notice did not include a RAP Notice, which is required under Oakland law. Oakland Mun. Code § 8.22.070(H). Tenant provided sufficient evidence to the Hearing Officer to demonstrate this deficiency. *See* Tenant Evidence Submission, Exh. T1. Owner does not dispute this fact, and has not disputed this deficiency in either the first Owner Response; the second, delinquent, Owner Response, or in Owner's Appeal. As such, the 2022 Rent Increase Notice is invalid.

Second, the 2022 Rent Increase Notice did not include the rent increase moratorium statement in bold, underlined, 12-point font as required by the Oakland Moratorium. *See id*. Owner contends that "According to page 3 of the Proof of Service from the tenant [sic], it is stated that the notice of rent increase is not in bold, or 12 point font, which is false. We specifically bolded the notice of rent increase statement, and used 12 point font on both letters." *See* Owner Appeal, p. 3. Owner misunderstands the Administrative Decision and the Oakland Moratorium. Under the Oakland Moratorium, Owner is required to provide the following statement in bold, underlined, 12-point font:

"During the Local Emergency declared by the City of Oakland in response to the COVID-19 pandemic, your rent may not be increased in excess of the CPI Rent Adjustment (3-5% until June 30, 2020), unless required for the landlord to obtain a fair return. You may contact the Rent Adjustment Program at (510) 238-3721 [sic] for additional information and referrals."

Oakland Moratorium, § 4. Owner did not include this statement in the 2022 Rent Increase. Instead, the only text that were provided in bolded font were "Notice of Rent Increase," "Address," and "Mead Holding LLC" letterhead. *See* Tenant Evidence Submission, Exh. T1.

Third, the 2022 Rent Increase Notice provided for a \$200 increase, which equates to an increase of over 15%. Tenant Evidence Submission, Exh. T1. This is well above the 3% CPI Rent Adjustment allowed by the City of Oakland for the relevant time period.

Fourth, the 2022 Rent Increase Notice stated that the increase was justified "due to high inflation rates that include increasing property and city tax, water, PG&E, as well as maintenance in addition to other factors." *See* Tenant Evidence Submission, Exh. T1. Owner confirms such rationale in the Owner Appeal, stating that Tenant's rent "would be increased from \$1,300 to \$1,500 due to increased operating expenses." *See* Owner Appeal, p. 5. Owner argues that such an increase is justifiable, as the Oakland Municipal Code allows rent increases to exceed the CPI Rent Adjustment. *Id.* The Oakland Moratorium, however, prohibits rent increases in excess of the CPI Rent Adjustment on the basis of increased operating expenses during the Local Emergency. Oakland Moratorium, § 4. Further analysis of Owner's misinterpretation of rent increases in excess of the CPI Rent Adjustment is discussed in Section D, *infra*.

For the foregoing reasons, the 2022 Rent Increase was properly found invalid.

C. The 2019 Rent Increase

The 2019 Rent Increase was plainly and facially unlawful, and was properly held by the Hearing Officer to be invalid. The 2019 Rent Increase required an increase in Tenant's rental payments from \$1,000 per month to \$1,300 per month, in excess of the allowable CPI Rent Adjustment; the rent increase did not meet requirements under the Oakland Municipal Code; and the rent increase was not a rent set back.

1. The 2019 Rent Increase Did Not Include the RAP Notice

It is undisputed that the 2019 Rent Increase did not include the legally required RAP Notice. *See* Tenant Evidence Submission, Exh. T2. Owner provided only the rent increase notice, itself, along with a printout from the Rent Adjustment Program website. Tenant has provided sufficient evidence to demonstrate this deficiency. Owner does not dispute the fact that no RAP notice was included with the 2019 Rent Increase, and has not disputed this fact in either the Owner Response; the second, delinquent, Owner Response; or in the Owner Appeal.

In his Appeal filing, Owner states, "At the inception of their tenancy, we provided the tenants with a RAP notice. The tenants claiming that they were not able to retain the notice that was provided to them may be due to the fact that they moved in 10 years ago." This statement is problematic for several reasons.

First, the allegation that Owner provided Tenant with a RAP Notice at the inception of their tenancy is false. Tenant has stated in her Petition, under penalty of perjury, that she was never provided with a RAP Notice. *See* Tenant Petition, T23-0019. Tenant has not wavered from this assertion. Owner, on the other hand, has repeatedly changed his story, and has provided no evidence to support his false statement at any stage of this case. In the Owner Response dated January 31, 2023, Owner, under penalty of perjury, affirmatively checked the box stating: "I have never provided a RAP Notice." *See* Owner Response (Jan. 31, 2023). In the second Owner Response, Owner, under penalty of perjury, affirmatively checked the box stating: "I do not know if a RAP Notice was ever provided." *See* Owner Response (Mar. 31, 2023). Owner now claims to have provided a RAP Notice at the inception of Tenant's tenancy, contradicting Owner's prior assertions and without providing any evidence to support his claim. Owner Appeal, p. 3. Owner has contradicted himself, under oath, and has not provided any evidence to support this claim. Accordingly, the Hearing Officer correctly found that Tenant was not given a RAP Notice at the beginning of her tenancy.

Second, Owner misunderstands the notice requirement. While a RAP Notice is required to be provided at the inception of a tenancy, a RAP Notice is also required to be provided with

each rent increase notice. Oakland Mun. Code § 8.22.070(H). Even if Owner had provided Tenant with a RAP Notice at the inception of her tenancy, Owner would still be required to provide additional RAP Notices concurrently with rent increase notices. Owner did not provide the required RAP Notice with the 2019 Rent Increase and has not disputed this fact. Tenant Evidence Submission, Exh. T2. Tenant has provided sufficient evidence for the Hearing Officer to find that Owner failed in his duty to provide the required notice.

2. The Increase Amount Exceeded That Allowed by Law

The 2019 Rent Increase imposed an increase from \$1,000 per month to \$1,300 per month, which equates to an increase of 30%. This rent increase is illegal on its face. The 2019 CPI Rent Adjustment was 3.5%. Moreover, the Oakland Municipal Code restricts rent increases based on CPI Rent Adjustments to no more than 10% in any 12-month period, and no more than 30% over any period of five years. § 8.22.070(A)(2)-(3). A rent increase of 30% is clearly improper, and the 2019 Rent Increase was correctly held to be invalid.

3. The 2019 Rent Increase was an Increase and Not a Set Back

Owner's contention that the 2019 Rent Increase should be considered a rent "set back" is without merit. Tenant denies Owner's account of an agreement of services in exchange for a rent reduction. Owner did not raise this issue in either of his two Owner Responses, and has provided no evidence to support such an allegation. In fact, Owner, himself, contradicts this characterization of the rent increase in the actual 2019 Rent Increase Notice.

In his Appeal, Owner provides that "the tenants and I had an agreement when they first moved in that the monthly rent would be \$1,300, but if they were to pull out the garbage bins every Monday for all 6 units, and keep the front and backyard clean, then they would pay \$1,000." Owner Appeal, p. 2. Owner states that such agreement was "verbal." *Id.* at p. 3.

Tenant denies the existence of such an agreement. Tenant's rental rate when she moved into the property in 2013 was \$1,000 per month. Tenant has never agreed to a reduced rental rate from \$1,300 to \$1,000 per month in exchange for services to Owner or at the subject property. Tenant has never agreed to a reduced rental rate in exchange for services to Owner or

at the subject property, either verbally or in writing. Owner has provided no evidence to support his claim that such an agreement existed, and Owner did not raise this argument at the proper time: in his Owner Response to the Tenant Petition.

Owner also states that: "In 2019, we provided the tenants with a 60 day notice that the rent would return to its original amount of \$1,300 because they were no longer providing their services." See Owner Appeal, p. 3, ¶ 2. The 2019 Rent Increase Notice, however, includes no such language about the alleged services. Instead, the 2019 Rent Increase Notice states: "The rental increases will be applied due to high inflation rates that include the increase of property and city tax, water, garbage, and other maintenance in addition to many other factors." Tenant Evidence Submission, Exh. T2 (emphasis added). The 2019 Rent Increase Notice does not include any mention of services, of an agreement, or of a set back. Moreover, the 2019 Rent Increase Notice uses almost the exact same language that Owner used in the 2022 Rent Increase. See id. at Exh. T1 ("The increase in rent will be applied due to high inflation rates that include increasing property and city tax, water, PG&E, as well as maintenance in addition to other factors"). Owner is attempting to characterize the 2019 Rent Increase as a rent set back, however all evidence demonstrates that the 2019 Rent Increase was merely an unlawful rent increase.

Owner further contradicts his set back argument, stating in the 2019 Rent Increase Notice, "Please take into consideration that rent has been \$1,000 for the past 10+ years with no increases. The California State Law allows property owners to defer applying *annual rent increases* for up to 10 years." *Id.* at Exh. T2 (emphasis added). Owner was clearly attempting to bank multiple years' worth of rent increases into a single, illegal rent increase. The fact that Owner could have increased rent lawfully during that time period does not allow Owner to do so illegally by increasing Tenant's rent by an unlawful amount and without proper notice. Owner is either being misleading, or mischaracterizing the 2019 Rent Increase by asserting that it was based on a set back rather than what it actually was: an illegal rent increase.

1 2

D. Owner Is Not Allowed to Implement Rent Increases Over CPI and Banking Without Following Proper Procedure

Owner contends that he should be allowed to increase rent beyond CPI for a number of ill-defined reasons. Owner reasons that "Capital improvements to a building shall be passed on to the tenant as a prorated charge. A landlord is able to increase the rent due to capital improvements to the building." Owner Appeal, p. 2-3, ¶ 6. Owner later states that "[R]ent increases that exceed the CPI increase may be justified" for a series of reasons. *Id.* p. 5. Yet again, Owner misunderstands legal rent increases allowed under the Oakland Municipal Code and the Oakland Moratorium.

The Oakland Municipal Code does allow for property owners to increase rent by an amount in excess of the CPI Rent Adjustment for reasons including capital improvements, uninsured repair costs, and increased housing costs. Oakland Mun. Code § 8.22.070(C). A property owner who seeks an increase based on any ground other than the CPI Rent Adjustment or Banking, however, "must first petition the Rent Program and receive approval for the Rent Increase before the Rent Increase can be imposed." *Id.* Property owners "may increase rents only for increases based on the CPI Rent Adjustment or Banking, or by filing a petition to increase rent in excess of that amount." *Id.* at § 8.22.065(A). While a property owner is not prohibited from increasing a tenant's rent in excess of the relevant CPI Rent Adjustment, the property owner must follow proper procedures in order to do so. "Any rent increase not based on the CPI Rent Adjustment or Banking that is not first approved by the Rent Adjustment Program is void and unenforceable." *Id.*

Furthermore, the Oakland Moratorium specifically prevents almost all types of rent increases in excess of the CPI Rent Adjustment. *See* Oakland Moratorium, § 4 ("[A]ny rent increase in excess of the CPI Rent Adjustment . . . shall be void and unenforceable if the notice is served or has an effective date during the Local Emergency, unless required to provide a fair return.").

In the present case, Owner did not file a petition with the Oakland Rent Adjustment Program before either the 2019 or 2022 Rent Increases. Owner did not receive approval from the Rent Adjustment Program to impose a rent increase in excess of the CPI Rent Adjustment before either the 2019 or 2022 Rent Increases. Owner instead took it upon himself to increase Tenant's rent by an unconscionable amount on two separate occasions without following established and legally required procedures.

E. Owner's Appeal Includes Allegations and Arguments That Lie Beyond the Scope of the Underlying Petition and this Appeal

Matters on appeal are limited in their scope. The Rent Adjustment Program Regulations contain an enumerated list of grounds for appeal. *See, e.g.,* Oakland Rent Adjustment Program Regulations; Oakland Municipal Code § 8.22.120. As a general rule, Appeals should not conduct evidentiary hearings or consider the introduction of new evidence. *See* Oakland Rent Adjustment Program Regulations.

Here, Owner attempts to include a number of arguments and accompanying evidence that lie well beyond the scope of the underlying Petition, and bear no relevance to this case. Specifically, the following allegations are irrelevant with regard to whether or not the 2019 and 2022 Rent Increases were proper and legal: whether or not Owner requested that tenants at the property pull out their own garbage bins, whether or not Owner decided to begin cleaning around the property, whether or not Tenant had an extra refrigerator, the number of persons living within the subject property, whether or not a fire department violation occurred, and whether or not Tenant's family used multiple parking spaces. Owner Appeal, p. 2, ¶¶ 1-5.

Tenant reserves the right to challenge or dispute Owner's allegations.

Additionally, Owner's table of Increased Housing Service Costs is similarly irrelevant for the purposes of this appeal. The issue of whether or not Owner incurred increased costs falls outside of the scope of the Tenant Petition and of this Appeal. Furthermore, Owner has provided no evidence to support his claim that he incurred increased housing costs aside from

the table, itself. Owner Appeal, p. 4. Tenant reserves the right to challenge or dispute Owner's contention regarding increased housing costs.

Owner did not raise these allegations or arguments in either of his two Owner Responses, and they should not be considered in, and are not relevant to, this Appeal.

F. Owner's Allegation of Fraud Is False and Improper

Tenant included in her Tenant Evidence Submission a letter, dated July 5, 2022 and signed by Owner. *See* Tenant Evidence Submission, Exh. T4. The purpose of including the letter in the Tenant Evidence Submission was to provide further evidence that Tenant was current on her rental payments.

In his Owner Appeal, Owner alleges that Tenant "fraudulently used immigration as an excuse to receive a recommendation letter from me, that is now being used against me." Owner Appeal, p. 5.

Tenant denies defrauding Owner. Tenant did not request the letter for any purposes other than those that Tenant made Owner aware of at the time of her request. Tenant was truthful in her request, and has been honest and consistent throughout the entirety of this action. Unless Owner is admitting to having committed fraud by lying in his letter, no fraud occurred. Tenant reserves the right to pursue Owner on any and all claims related to Owner's baseless allegation of fraud.

G. The April 12, 2023 Hearing Was Not Canceled Without Proper Notice

Owner contends that the Hearing for the underlying Petition was "canceled without proper notice." Owner Appeal, p. 5. As discussed in Section A, *supra*, the Hearing Officer did not act improperly in issuing a ruling by Administrative Decision. The cancelation of the Hearing was properly noticed in the Hearing Officer's decision, served on the Parties on April 6, 2023, by Analyst Brittni Lothlen. *See* T23-0019 Administrative Decision, p. 4, ¶ 4.

III. CONCLUSION

For the reasons set forth herein, the Appeals Board should find affirm the Hearing Officer's decision to grant the Tenant Petition.

1		
2	Dated: May 2, 2023	CENTRO LEGAL DE LA RAZA
3		By: Gregory Ching
4		By: <u>Gregory Ching</u> Gregory T. Ching Attorney for Tenant-Respondent Maria Barragan
5		morney for Tenam Respondent mand Barragan
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TENANT-RESPONDENT REPLY BRIEF IN SUPPORT OF TENANT PETITIO 00110

(T23-0019)



CITY OF OAKLAND RENT ADJUSTMENT PROGRAM

250 Frank H. Ogawa Plaza, Suite 5313 Oakland, CA 94612-0243 (510) 238-3721 CA Relay Service 711 www.oaklandca.gov/RAP For Rent Adjustment Program date stamp.

PROOF OF SERVICE

NOTE: YOU ARE REQUIRED TO SERVE A COPY OF YOUR PETITION OR RESPONSE (PLUS ANY ADDITIONAL DOCUMENTS) ON THE OPPOSING PARTIES.

- ➤ Use this PROOF OF SERVICE form to indicate the date and manner in which service took place, as well as the person(s) served.
- Provide a <u>copy</u> of this PROOF OF SERVICE form to the opposing parties together with the document(s) served
- > File the completed PROOF OF SERVICE form with the Rent Adjustment Program together with the document you are filing and any attachments you are serving.
- Please number sequentially all additional documents provided to the RAP.

PETITIONS FILED WITHOUT A PROOF OF SERVICE WILL BE CONSIDERED INCOMPLETE AND MAY BE DISMISSED.

I served a copy of:	TENANT-RESPONDENT MARIA BARRAGAN'S REPLY BRIEF IN SUPPORT OF TENANT PETITION IN PETITION CASE NO.:T23-0019 (12 pages) (insert name of document served) And Additional Documents	
Response served of	of attached pages) attached pages (not counting the Petition or or the Proof of Service) to each opposing party, whose name(s) and address(es) are e of the following means (check one):	
addres	ited States mail. I enclosed the document(s) in a sealed envelope or package sed to the person(s) listed below and at the address(es) below and deposited the envelope with the United States Postal Service, with the postage fully prepaid.	
class r	b. Deposited it with a commercial carrier, using a service at least as expeditious as first class mail, with all postage or charges fully prepaid, addressed to each opposing party as listed below.	
c. Personal Service. (1) By Hand Delivery: I personally delivered the document(s) to the person(s) at the address(es) listed below; or (2) I left the document(s) at the address(es) some person not younger than 18 years of age.		
PERSON(S) SERV	/ED:	
Name	Ahmed Said	
Address	2400 Market St. Suite B	
City, State, Zip	Oakland CA 94607	

City of Oakland Rent Adjustment Program Proof of Service Form 10.21.2020

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To serve more than 8 people, copy this page as many times as necessary and insert in your proof of service document. If you are only serving one person, you can use just the first and last page.

Israel Lepiz	
PRINT YOUR NAME	
Asrael Lepis	05/02/23

DATE

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and the documents were served on $\underline{05}/02/2023$ (insert date served).

SIGNATURE

05/24/2023 Barragan et al v. Mead Holding LLC

Att: Hearing of Appeal

Case Number: T23-0019

Notice of Appeal

I, the appealing party, would like to present to you why the appeal should be granted.

We are challenging the decision made by the rent board because at the inception of their tenancy [2012], we agreed that the rent would be \$1,300. However, we verbally agreed that if they were to pull out all 6 garbage bins for weekly garbage pick up, keep the front and backyards clean, and have the storage room, then they would pay \$1,000 **ONLY** if they were able to hold up their end of the agreement.

- 1. Tenants built an extra structure without landlord approval, and the fire department sent the landlord a notice of violation because the structure was unpermitted. We were fined, and I, as the landlord, had to pay, and remove the structure.
- 2. We provided them with a free storage room, but they <u>DID NOT</u> notify us that they would plug in refrigerators, and other equipment to the house meter using extension cords [big fire hazard].
 Also, the tenants exceeded the agreed occupancy of 5 people for a 2 bedroom
 - unit, as they had up to 7 people living in the unit. We never complained when PG&E and EBMUD rates increased.
- 3. Each unit has ONE parking spot allocated to them for their use, but have continued to park their vehicles in prohibited areas around the building.
- 4. We have made capital improvements to the building, and specifically their unit such as: New roof, New windows, New balcony door, and other improvements to ensure that our tenants have the best living space possible. These improvements cost us over \$40,000.

According to the article titled "Learn More About Allowable Rent Increases" on the City of Oakland Website, last updated May 19th, 2023, it states that Rent Increases that exceed the CPI Increase may be valid for one or more of the reasons. Owners may combine more than one justification to increase rent at the same time.

- A. Owners can combine CPI, banking, and capital improvements for a rent increase in one petition.
- B. Increased housing service costs [Property taxes, Utility bills, Mortgage, and many other expenses]
- 5. All in all, the rent was not increased for 7 years [2012 2018]. In 2019, the rent was not increased, rather it was set back to its original amount because their services were no longer provided. We gave the tenants a 60 day written notice notifying them that their rent payable would be set back the amount that was agreed upon initially, \$1,300.

According to the article titled "Learn More About Allowable Rent Increases" on the City of Oakland Website, last updated May 19th, 2023, it states that Rent Increases that exceed the CPI Increase may be valid for one or more of the reasons. Owners may combine more than one justification to increase rent at the same time.

- A. Owners can combine CPI, banking, and capital improvements for a rent increase in one petition.
- B. Increased housing service costs [Property taxes, Utility bills, Mortgage, and many other expenses]

<u>Closing Statement:</u> San Francisco, and Oakland always favor the tenants. We're asking since you are the judge and mediator of this hearing to <u>PLEASE BE FAIR</u>. When we increased the rent, we increased fairly, not by thousands of dollars, or an unreasonable amount. We ask that you please take our argument into consideration and reason with us because living costs continue to increase, and the pandemic was an uphill battle as mortgages and taxes were still due on a month to month basis, but tenants were given the opportunity to withhold rent. Ultimately, we are very fair landlords

to our tenants as they have been renting from us for over 10 years now, otherwise they would not be paying \$1,500 per month for a 2 bedroom with parking, and free water (EBMUD).



MEMORANDUM

Date: September 8, 2023

To: Members of the Housing, Rent Residential & Relocation

Board (HRRRB)

From: Braz Shabrell, Deputy City Attorney

Re: Appeal Recommendation in T23-0019, Barragan et al. v.

Mead Holding LLC

Appeal Hearing Date: September 14, 2023

Property Address: 2031 69th Avenue, Unit C, Oakland, CA 94621

Appellant/Owner: Ahmed Said, Mead Holding LLC

Respondent/Tenants: Maria Barragan, Reyes Ornelas

BACKGROUND

On January 23, 2023, tenants Maria Barragan and Reyes Ornelas filed a Tenant Petition contesting the following two rent increases:

- \$1,000 to \$1,300, effective December 2019
- \$1,300 to \$1,500, effective December 2022

The Petition indicated that the tenants had never received a copy of the RAP Notice, either at the beginning of their tenancy or with either increase. The tenants submitted 22 pages of documentation in support of their Petition, including copies of the rent increase notices and proof of rent payment.

On February 1, 2023, owner Ahmed Said of Mead Holding LLC filed a response to the Tenant Petition, but did not allege any defenses in the response form. The owner attached a copy of a business license (which was expired), but did not include any evidence that the owner had paid the RAP service fee. The owner also indicated on the response form that the owner had never provided the tenants with a copy of the RAP Notice.

On February 28, 2023, RAP staff mailed the owner a Notice of Incomplete Owner Response, indicating that the owner was missing a proof of service, proof of payment of the business license tax, and proof of payment of the RAP fee. The Notice indicated that the owner had 30 days to submit a completed response.

On March 3, 2023, the owner submitted an email to RAP that contained additional narrative in support of the owner's response. RAP responded the same day and again informed the owner of the incomplete response. RAP sent the owner another email on March 8, 2023, again instructing the owner to resubmit the response with the missing information.

RULING ON THE CASE

On April 5, 2023, hearing officer Élan Consuella Lambert issued an Administrative Decision, granting the Tenant Petition without a hearing. As of the date of the Decision, the owner had not submitted any of the required additional documentation, and therefore the owner's response remained incomplete. Any documentation submitted by the owner was therefore deemed inadmissible. On the merits, the rent increases were found to be invalid because the tenants never received the required RAP Notice, and because the second increase in 2022 was above CPI and did not include the notice language required by the Oakland rent increase moratorium.

GROUNDS FOR APPEAL

On April 18, 2023, the owner filed an appeal of the Administrative Decision on the grounds that the owner was denied a sufficient opportunity to respond to the tenants' claims. Among other things, the owner alleged that the increase from \$1,000 to \$1,300 was not an increase, but rather the tenants' initial rent was \$1,300 and was discounted to \$1,000 in exchange for the tenants taking out the garbage and cleaning around the property. The owner also alleged increased housing service costs and other claims not related to the tenant petition.

ISSUES

- 1. Was the owner denied a sufficient opportunity to respond to the tenants' claim?
- 2. Does the Administrative Decision err as a matter of law?

<u>APPLICABLE LAW AND PAST BOARD DECISIONS</u>

I. Administrative Decisions

An administrative decision may be issued when petition or response forms have not been properly completed, were untimely, or filing prerequisites have not been met,

where the petition and response forms raise no genuine dispute as to any material facts and the petition may be decided as a matter of law, or where the property was previously issued a certificate of exemption and is not challenged by the tenant. OMC 8.22.110F.

II. Owner Filing Requirements

In order to file a response to a tenant petition or file a petition seeking a rent increase, an owner must submit the following: evidence of possession of a current business license, evidence of payment of the RAP fee, evidence of service of the RAP notice on covered units, a completed response form, documentation supporting the owner's claim of exemption or justification for the rent increase, and proof of service of the response on the tenant. OMC 8.22.090B. Failure to submit a completed response may result in the response being dismissed.

III. Service of RAP Notice

Owners are required to serve tenants with a copy of the RAP Notice at the beginning of the tenancy and together with any rent increase. Failure to do so renders a rent increase invalid. O.M.C. 8.22.060, 8.22.070H, 8.22.090A(1)(c)-(d).

IV. Rent Increase Moratorium

Oakland's rent increase moratorium, which was in effect as of December 2022, limits rent increases to CPI and requires certain language to be included in rent increase notices.

RECOMMENDED OUTCOME

The office of the City Attorney recommends that the Hearing Officer's decision be upheld. The owner's response was incomplete and remained incomplete after the owner was provided with notice and 30 days to submit the required documentation. Owner filing requirements—and the risk that failure to comply may result in the response being dismissed—is indicated in the notice served together with the petition, in the response form itself, and in the "Notice of Incomplete Owner Reponse." The owner in this case was also instructed on filing requirements via staff emails on March 3 and March 8, 2023. The response was incomplete on numerous grounds, which the owner failed to correct despite several notices to do so. An Administrative Decision was therefore justified, as was disregarding the owner's evidence.

Even if the owner's response was considered filed, the same result could be reached. Both the Tenant Petition and the owner response indicate that the tenants were not provided with a RAP Notice. Therefore, failure to provide a RAP Notice is undisputed. Additionally, the December 2022 increase from \$1,300 to \$1,500 exceeds the allowable CPI and does not comply with Oakland's rent increase moratorium. It is therefore invalid on its face.

The owner's claims of capital improvements and increased housing service costs are misguided. In order to impose a rent increase based on capital improvements or increased costs, an owner must first file a petition and be granted approval by RAP. That was not done in this case. The other claims raised on appeal are irrelevant to the issue of whether the challenged rent increases were valid, and the appeal does not provide any explanation or justification (i.e. good cause) as to why the owner's response was incomplete.