

CHRONOLOGICAL CASE REPORT

Case No.: T15-0648
Case Name: Williams v. Mahal
Property Address: 8047 Coach Drive, Oakland, CA
Parties: De Jada Williams (Tenant)
Gurpal Mahal (Property Owner)

PROPERTY OWNER APPEAL:

<u>Activity</u>	<u>Date</u>
Tenant Petition filed	December 7, 2015
Original Notice of Hearing and Notice of Tenant Petition Mailed To Property Owner	December 14, 2015
Tenant Provided New Owner Address	February 3, 2016
New Notice of Hearing and Notice of Tenant Petition Mailed to Property Owner	February 10, 2016
Landlord Response filed	None
Hearing Decision issued	May 11, 2016
Owner Appeal filed	May 25, 2016

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2016 MAY 23 PM 12:47

City of Oakland Residential Rent Adjustment Program 250 Frank Ogawa Plaza, Suite 5313 Oakland, California 94612 (510) 238-3721	APPEAL
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Appellant's Name Gurpal S. Mahal	Landlord <input checked="" type="checkbox"/> Tenant <input type="checkbox"/>
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Property Address (Include Unit Number) 8047 Coach Dr. Oakland, CA 94605
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Appellant's Mailing Address (For receipt of notices) 5424 Saddleback Ct. El Sobrante, CA 94803	Case Number T15-0648 Date of Decision appealed 3-21-2016
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Name of Representative (if any) Kulvinder S. Mahal	Representative's Mailing Address (For notices) 5424 Saddleback Ct El Sobrante, CA 94803
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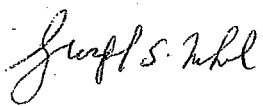
appeal the decision issued in the case and on the date written above on the following grounds:
 (Check the applicable ground(s). Additional explanation is required (see below). Please attach additional pages to this form.)

1. The decision is inconsistent with OMC Chapter 8.22, Rent Board Regulations or prior decisions of the Board. You must identify the Ordinance section, regulation or prior Board decision(s) and specify the inconsistency.
2. The decision is inconsistent with decisions issued by other hearing officers. You must identify the prior inconsistent decision and explain how the decision is inconsistent.
3. The decision raises a new policy issue that has not been decided by the Board. You must provide a detailed statement of the issue and why the issue should be decided in your favor.
4. The decision is not supported by substantial evidence. You must explain why the decision is not supported by substantial evidence found in the case record. The entire case record is available to the Board, but sections of audio recordings must be pre-designated to Rent Adjustment Staff.
5. I was denied a sufficient opportunity to present my claim or respond to the petitioner's claim. You must explain how you were denied a sufficient opportunity 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.
6. The decision denies me a fair return on my investment. You must specifically state why you have been denied a fair return and attach the calculations supporting your claim.

7. Other. You must attach a detailed explanation of your grounds for appeal. Submissions to the Board are limited to 25 pages from each party. Number of pages attached Please number attached pages consecutively.

8. **You must serve a copy of your appeal on the opposing party(ies) or your appeal may be dismissed.** I declare under penalty of perjury under the laws of the State of California that on 5-24, 20016, 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:

Name	DeJada Williams - Tenant
Address	8047 Coach Drive
City, State Zip	Oakland, CA 94605
Name	
Address	
City, State Zip	

	
SIGNATURE of APPELLANT or DESIGNATED REPRESENTATIVE	DATE 5-23-16

IMPORTANT INFORMATION:

This appeal must be received by the Rent Adjustment Program, 250 Frank Ogawa Plaza, Suite 5313, Oakland, California 94612, not later than 5:00 P.M. on the 20th calendar day after the date the decision was mailed to you as shown on the proof of service attached to the decision. If the last day to file is a weekend or holiday, the time to file the document is extended to the next business day.

- Appeals filed late without good cause will be dismissed.
- You must provide all of the information required or your appeal cannot be processed and may be dismissed.
- Anything to be considered by the Board must be received by the Rent Adjustment Program by 3:00 p.m. on the 8th day before the appeal hearing.
- The Board will not consider new claims. All claims, except as to jurisdiction, must have been made in the petition, response, or at the hearing.
- The Board will not consider new evidence at the appeal hearing without specific approval.
- You must sign and date this form or your appeal will not be processed.

May 22, 2016

Re: 8047 Coach Dr Oakland, CA 94605

Dejada L. Williams-Tenant

Case # T15-0648

Connie Taylor,

I am Gurpal S. Mahal and I own 8047 Coach Dr in Oakland. I am writing to request a new hearing regarding the rent increase in Case # T15-0648 due to Oakland Housing Authority not submitting paperwork to the correct address. Dejada Williams has submitted two addresses to where paperwork from OHA has been sent in which I do not reside in either address. The first paperwork I received from OHA was on May 20, 2016 which was the Hearing Decision Summary. Had I received all the necessary paperwork from OHA I would never of not attending a Hearing in regards to this case. Please grant me another Hearing date for Case # T15-0648 so that I can present my evidence and defend my side of the case. Dejada Williams submitted the below addresses to send paperwork and I do not reside in either of them all though I do own them. Dejada Williams has my current address it is in his lease.

8047 Coach Drive Oakland, CA 94605

879 Osmun Circle Clovis, CA 93612

Please feel free to contact me with any further matters,

Thank you,

Gurpal S. Mahal

5424 Saddleback Ct El Sobrante, CA 94803

510-334-2330

kulvindermahal@me.com

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250 FRANK H. OGAWA PLAZA, SUITE 5313, OAKLAND, CA 94612

CITY OF OAKLAND

Department of Housing and Community Development
Rent Adjustment Program

TEL (510) 238-3721
FAX (510) 238-6181
TDD (510) 238-3254

HEARING DECISION

CASE NUMBER: T15-0648, Williams v. Mahal
PROPERTY ADDRESS: 8047 Coach Drive, Oakland, CA 94605
DATE OF HEARING: March 21, 2016
DATE OF DECISION: April 29, 2016
APPEARANCES: DeJada Williams, Tenant
No Appearance by Owner

SUMMARY OF DECISION

The tenant petition is granted in part.

CONTENTIONS OF THE PARTIES

On December 7, 2015, the tenant filed a petition alleging (1) an unjustified rent increase in excess of the CPI Adjustment and/or greater than 10%; and (2) serious problems with the condition of the rental unit.

The owner did not file a written response and did not appear at the hearing.

The 90-day moratorium on rent increases, passed by City Council on April 5, 2016, does not apply to this case because it does not apply to noticed rent increases and petitions filed prior to April 5, 2016.¹

THE ISSUES

- (1) Is the rent increase a valid rent increase?
- (2) Have the tenant's housing services been decreased, and if so, by what amount?

¹ Oakland City Council Ordinance No.13360 C.M.S.

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EVIDENCE

Background and Rent Increase

The tenant moved into the subject unit on January 2, 2015, at an initial monthly rent of \$725.00. The subject unit is a single bedroom with a bathroom, located in a split-level house, consisting of six (6) bedrooms. The tenant testified that each tenant rents a bedroom, has a separate lease and pays the rent directly to the owner.

On December 3, 2015, the tenant was served a notice of rent increase that proposed to increase the rent from \$725.00 to \$1,050.00, effective January 1, 2016. The tenant testified at the hearing that he did not receive the notice of the existence of the Rent Adjustment Program (RAP) Notice when he moved in or with the rent increase notice. This evidence was not disputed.

No Response by Owner

On February 10, 2016, a Notice of Hearing and notice of the tenant petition was mailed to the owner's address provided by the tenant with a proof of service. The mail was not returned as non-delivered. The owner did not respond. The Notice of Hearing was properly served and the hearing came on regularly on March 21, 2016, at 10:00 a.m. as scheduled without the appearance of the owner. The hearing officer waited until 10:15 a.m. for the owner to appear.

Decreased Housing Services

Prior to the hearing, the tenant submitted a list of items as decreased services.² He testified at the hearing to the decreased services as follows: (1) no proper lock on his bedroom door; (2) the window has gaps allowing cold air/rain into the room, no weather stripping; (3) the carpet is moldy from leaking window; (4) there are ants, spiders and silver fish due to moisture; (4) sliding doors in the kitchen cannot open; and (5) utilities are shared by the tenants. The tenant submitted a printout of text messages, dated December of 2015, addressed to the owner, and relating to the problems in the tenant's unit.³

On March 25, 2016, the Hearing Officer conducted a site inspection, walked through the subject property and inspected the items identified by the tenant. There was a hole in the door next to the door jamb where the lock is supposed to be. The carpet in the tenant's room was severely stretched out and wrinkled with cuts and loose threads and presented a tripping hazard. There is one large window in the tenant's room. The window had visible gaps between the window frame and the walls, and there was no weather stripping. The Hearing Officer did not observe any insect problem and did not see any ants, spiders or silver fish at the time of the inspection. The sliding door

² Exhibit A

³ Exhibit B

in the kitchen leading outside to the deck opened only about a foot but could not be opened fully without a significant force.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

Invalid Rent Increase - No RAP Notice

The Rent Adjustment Ordinance requires an owner to serve notice of the existence and scope of the Rent Adjustment Program (RAP Notice) at the start of a tenancy⁴ and together with any notice of rent increase.⁵

Because the owner never provided the RAP notice to the tenants, the contested rent increase is not valid. The monthly rent will remain \$725.00.

Notice Requirement under California Civil Code §827

Furthermore, California Civil Code §827(b)(2) provides that the notice of rent increase must be delivered at least 60 days prior to the effective date of the increase if the proposed rent increase is more than 10 percent of the rental amount.

The proposed rent increase of \$225.00 (from \$725.00 to \$1,050.00) represents more than 10 percent. Therefore, a 60-day notice is required under the state law. It is undisputed that the notice was served on December 3, 2015, with the effective date of January 1, 2016. Because the owner failed to provide the required 60-day notice, the rent increase is also deficient under the state law and is void.

Decreased Housing Services

Under the Oakland Rent Ordinance, a decrease in housing services is considered to be an increase in rent⁶ and may be corrected by a rent adjustment.⁷ However, in order to justify a decrease in rent, a decrease in housing services must be the loss of a service that seriously affects the habitability of a unit or one that is required to be provided in a contract between the parties. "Living with lack of painting, water leaks and defective Venetian blinds may be unpleasant, aesthetically unsatisfying, but does not come with the category of habitability. Such things will not be considered in diminution of the rent."⁸ The tenant has the burden of proving decreased housing services by a preponderance of the evidence.

In addition, in a decreased services case, the tenant must establish he has given the owner notice of the problems and the opportunity to fix the problems before he is entitled to relief.

⁴ O.M.C. Section 8.22.060(A)

⁵ O.M.C. Section 8.22.070(H)(1)(A)

⁶ O.M.C. §8.22.070(F)

⁷ O.M.C. §8.22.110(E)

⁸ *Green v. Superior Court* (1974) 10 Cal. 3d 616 at p. 637

Lock on an entry door: This item presents a security issue since it is the main entry door to the tenant's unit. This claim reduces the package of housing services by 2% (\$14.50) per month from January of 2016 through March of 2016. The tenant is entitled to a credit of \$43.50 (14.50 x 3 months).

Window trash container: Gaps in the window frame and a lack of weather stripping reduces the package of housing services by 4% (\$29.00). The tenant is entitled to a credit of \$87.00 (\$29.00 x 3 months).

Carpet/tripping hazard: Old, stretched, holey and wrinkled carpet with loose threads sticking out presents a tripping hazard. Therefore, this claim reduces the package of housing services by 2% (\$14.50). The tenant is entitled to a credit of \$43.50 (\$14.50 x 3 months).

Insects: The Hearing Officer did not observe any ants, spiders and silver fish at the time of the inspection. There was no notice of violation or vector control report submitted relating to this item. Therefore, this claim is denied.

Sharing PG&E: There is only one meter at the property, and the PG&E bill is shared and paid by all tenants. The tenant has been paying a portion of the PG&E bill since he moved into the unit. When more than one rental unit shares any type of utility bill with another rental unit, it is illegal to divide up the bill between units. Splitting the costs of utilities among tenants who live in separate units is prohibited by the public Utilities Commission Code and Rule 18 of PG&E.⁹ The best way to remedy this situation is to install individual meters. Alternatively, the owner may choose to pay for the bill or include it into the tenant's rent as part of the rent, but it cannot be separately paid and split by the tenants. Therefore, this claim is granted and reduces the package of housing services by 2% (\$14.50) per month from January 2015 through March of 2016. The tenant is entitled to a credit of \$217.50 (\$14.50 x 15 months).

The tenant is entitled to a total credit of 391.50 for past decreased housing services.

ORDER

1. Tenant Petition T15-0648 is granted in part.
2. The rent increase is not valid. The monthly base rent is \$725.00.
4. The tenant is entitled to a total credit of \$391.50, due to rent overpayments for past decreased housing services. This amount may be adjusted by a rent decrease for the next ten (10) months in the amount of \$39.15 per month as follows:

⁹ RAP Regs 10.1.10

Base Rent	\$ 725.00
- tenant rent overpayments for past decreased housing services (\$391.50 divided by 10 months)	-39.15
- rent to be paid in June 2016 through March 2017 (10 months)	\$ 685.85
- current decreased housing services (10% of \$725.0)	-72.50
Net current monthly rent	\$ 613.35

5. If the owner wishes to pay the tenant restitution in a lump sum (\$391.50), the owner may do so.

6. The tenant's base rent will be further reduced by \$72.50 (10%), to \$613.35, due to the current decreased services for as long as the decreased housing services continue. Upon correcting the problems identified in this decision as the decreased housing services, the owner may increase the monthly rent by \$72.50 in accordance with the notice requirements of California Civil Code §827.

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 twenty (20) days after service of the decision. The date of service is shown on the attached Proof of Service. If the Rent Adjustment Office is closed on the last day to file, the appeal may be filed on the next business day.

Dated: April 29, 2016



Linda M. Moroz
Hearing Officer
Rent Adjustment Program

PROOF OF SERVICE

Case Number T15-0648

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.

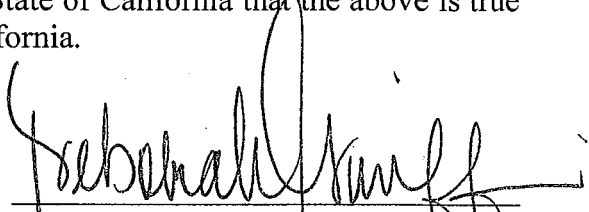
Today, I served the attached **Hearing Decision** by placing a true copy of it in a sealed envelope in City of Oakland mail collection receptacle for mailing on the below date at 250 Frank H. Ogawa Plaza, Suite 5313, 5th Floor, Oakland, California, addressed to:

Dejada Williams
2533 62nd Avenue
Oakland, CA 94605

Gurpal Mahal
8047 Coach Drive
Oakland, CA 94605

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 **May 11, 2016** in Oakland, California.


Deborah Griffin
Oakland Rent Adjustment Program

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PROOF OF SERVICE

Case Number T15-0648

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 Hearing Decision by placing a true copy of it in a sealed envelope in City of Oakland mail collection receptacle for mailing on the below date at 250 Frank H. Ogawa Plaza, Suite 5313, 5th Floor, Oakland, California, addressed to:

Tenants

Dejada Williams
2533 62nd Ave
Oakland, CA 94605

DeJada Williams
8047 Coach Dr
Oakland, CA 94605

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 May 11, 2016 in Oakland, CA.



Linda M. Moroz
Oakland Rent Adjustment Program

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PROOF OF SERVICE

Case Number T15-0648

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 Hearing Decision by placing a true copy of it in a sealed envelope in City of Oakland mail collection receptacle for mailing on the below date at 250 Frank H. Ogawa Plaza, Suite 5313, 5th Floor, Oakland, California, addressed to:

Owner

Gurpal Mahal
879 Osmun Cir
Clovis, CA 93612

Gurpal Mahal
5424 Saddleback Ct
El Sobrante, CA 94803

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 May 11, 2016 in Oakland, CA.



Linda M. Moroz

Oakland Rent Adjustment Program

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Costa, Robert

From: dejadawilliams <dejadawilliams@gmail.com>
Sent: Wednesday, February 03, 2016 3:13 PM
To: Costa, Robert
Subject: Update

Hello I have a change of address for my landlord my case number is
T15-0648

DeJada Williams vs Gurpal Mahal

Landlord Gurpal Mahal address is 5424 Saddleback CT El Sobrante CA 94803

Please send me an email back letting me know you received this email Thank you

Sent from my Verizon Wireless 4G LTE smartphone

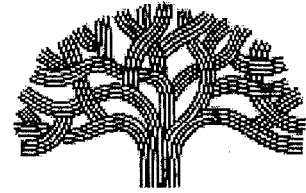
RECEIVED

FEB 03 2016

**RENT ADJUSTMENT PROGRAM
OAKLAND**

CITY of OAKLAND

P.O. BOX 70243, Oakland, CA 94612 2043
Department of Housing and Community Development
Rent Adjustment Program



(510) 238-372
FAX (510) 238-618
TDD (510) 238-325

NOTICE OF HEARING

File Name: Williams v. Mahal
Property Address: 8047 Coach Drive Oakland, CA 94605
Case Number: T15-0648

The hearing in your case will begin:

Date: Monday, March 21, 2016
Time: 10:00 a.m.
Place: 250 Frank H. Ogawa Plaza , Ste. #5313 , Oakland, CA 94612

The hearing is public and will continue from day to day until completed.

Order to Produce Evidence

All proposed tangible evidence, including but not limited to documents and pictures, must be submitted to the Rent Adjustment Program not less than seven (7) days prior to the Hearing. Black out all sensitive information on the documents you submit, like bank or credit card account numbers and Social Security numbers. Proposed evidence presented later may be excluded from consideration. The Hearing Officer can also use the official records of the City of Oakland and Alameda County Tax Assessor as evidence if provided by the parties for consideration.

Request to Change Date

A request for a change in the date or time of hearing ("continuance") must be made on a form provided by the Rent Adjustment Program. The party requesting the continuance must try to get an agreement for alternate dates with the opposing parties. If an agreement cannot be reached, check the appropriate box on the Request. A change will be granted only for good cause. A second request for a change of date will be granted only for exceptional circumstances.

Hearing Record

The Rent Adjustment Program makes an audio recording of the hearing. Either party may bring a court reporter to record the proceedings at their own expense.

Representatives

Any party to a hearing may designate a representative in writing or on the record at the hearing.

Interpreter

The hearing must be conducted in English. Any party may bring a person to the hearing interpret for them. The interpreter will be required to take an oath that they are fluent in both English and the relevant foreign language and they will fully and to the best of their ability translate the proceedings. The Rent Adjustment Program will also provide Spanish, Cantonese or Mandarin interpreters on request.

Failure to Appear for Hearing

If the petitioner fails to appear at the hearing as scheduled, the Hearing Officer may either conduct the hearing and render a decision without the petitioner's participation, or dismiss the petition. If the respondent fails to appear at the hearing as scheduled, the Hearing Officer may either issue an administrative decision without a hearing, or conduct the hearing and render a decision without the respondent's participation.

Accommodations

Hearings are held in a wheelchair accessible facility. Contact the Office of the City Clerk, One Frank H. Ogawa Plaza, or call (510) 238-3611 (VOICE) or (510) 839-6451 (TTY) to arrange the following services: 1) Sign interpreter or Phonic Ear Hearing Device for the hearing impaired; 2) large print, Braille, or cassette tape text for the visually impaired. The City of Oakland complies with applicable City, State and Federal disability related laws and regulations protecting the civil rights of persons with environmental illness/multiple chemical sensitivities (EIMCS). Auxiliary aids and services and alternative formats are available by calling (510) 238-3716 at least 72 hours prior to the hearing. Please refrain from wearing strongly scented products to hearings.

Service Animals

The City of Oakland Rent Adjustment Program is committed to providing full access to qualified persons with disabilities who use service animals or emotional support animals.

If your service animal lacks visual evidence that it is a service animal (presence of an apparel item, apparatus, etc.), then please be prepared to reasonably establish that the animal does, in fact, perform a function or task that you cannot otherwise perform.

If you will be accompanied by an emotional support animal, then you must provide documentation, not more than one year old, on letterhead from a licensed mental health professional, stating that you have a mental health-related disability, that having the animal accompany you is necessary to your mental health or treatment, and that you are under her professional care.

Service animals and emotional support animals must be trained to behave properly in public. An animal that behaves in an unreasonably disruptive or aggressive manner (barks, growls, bites, jumps, urinates or defecates, etc.) will be removed.

PROOF OF SERVICE

Case Number T15-0648

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.

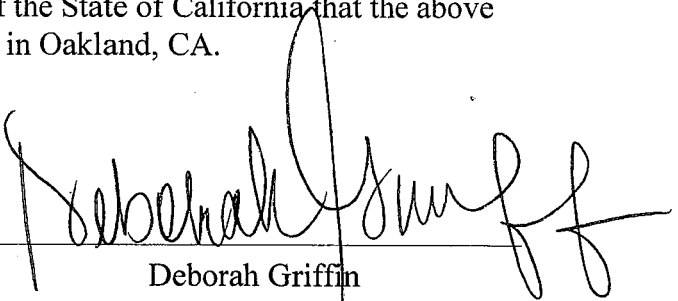
Today, I served the attached Notice of Hearing by placing a true copy of it in a sealed envelope in City of Oakland mail collection receptacle for mailing on the below date at 250 Frank H. Ogawa Plaza, Suite 5313, 5th Floor, Oakland, California, addressed to:

Owner

Gurpal Mahal
5424 Saddleback Ct
El Sobrante, CA 94803

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 10, 2016 in Oakland, CA.



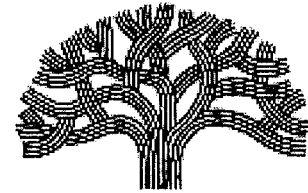
Deborah Griffin

Oakland Rent Adjustment Program

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CITY of OAKLAND

P.O. BOX 70243, Oakland, CA 94612 2043
Community and Economic Development Agency
Rent Adjustment Program



(510) 238-372
FAX (510) 238-618
TDD (510) 238-325

February 10, 2016

Owner

Gurpal Mahal
5424 Saddleback Ct
El Sobrante, CA 94803

The Rent Adjustment Program received the petition(s) attached to this letter on December 07, 2015. One or more of your tenant(s) are protesting one or more rent increases alleging that they exceed the maximum rent permitted by Oakland Municipal Code Chapter 8.22. For details please see the attached copy of the petition.

YOU MUST FILE A WRITTEN RESPONSE TO THE ATTACHED TENANT PETITION(S) WITHIN THIRTY-FIVE (35) DAYS FROM THE DATE OF MAILING OF THIS NOTICE OR A DECISION MAY BE MADE AGAINST YOU. THE RESPONSE MUST BE FILED ON THE PROPER FORM AND MUST BE RECEIVED AT THE CITY OF OAKLAND'S RENT ADJUSTMENT PROGRAM OFFICE ON OR BEFORE THE DUE DATE. The proposed rent increase is not effective until the decision in this case is final. If the amount of the current CPI increase is stated separately in the notice of increase, the tenant must pay the current CPI increase.

Oakland Municipal Code Chapter 8.22 (Rent Adjustment Ordinance) limits the annual permissible rent increases that can be imposed on a rental unit covered by the Ordinance. If a unit is voluntarily vacated, or the tenant is evicted for cause, the rent may be raised without restriction upon re-renting. The new tenancy is again subject to the rent increase limitations in the Oakland Municipal Code.

The Ordinance requires that you provide a written notice of the existence of the Residential Rent Adjustment Program to tenants in covered units at the start of the tenancy. You must use the Rent Adjustment Program form titled "Notice to Tenants." The Ordinance also requires that you serve the same notice together with a notice of rent increase or notice of change in terms of tenancy.

Rent increases less than, or equal to, the annual CPI increase need not be justified. Rent increases in excess of the annual CPI increase may be justified on one or more of the following grounds:

<http://www.oaklandnet.com/government/hcd/rentboard/docs/NoticeToTenants.pdf>

The following are summaries ONLY. For complete information, please see Oakland Rent Adjustment Ordinance and the Rent Adjustment Regulations. You may call the Rent Program Office to have your questions answered or to obtain a written copy of the Ordinance and Regulations.

1. EXEMPTION: (OMC Section 7.22.030)

You may prove exemption from application of the Oakland Rent Adjustment Ordinance. The exemptions are found in the Rent Adjustment Ordinance. The most common exemption is that the unit is government subsidized housing. Other common exemptions are for units constructed after January 1, 1983 (new construction) and single family houses exempt under the Costa Hawkins Rental Housing Act. See the Ordinance for a complete list and details.

2. CAPITAL IMPROVEMENT/UNINSURED REPAIR COST (Regulations Section 10.)

Capital improvements increases may only be granted for improvements that have been completed and paid for during any 12 month period within the 24-months immediately before the effective date of the proposed rent increase. To justify a rent increase for capital improvements expenditures or uninsured repair expense you must provide, along with your response, copies of receipts, invoices, bid contracts or other documentation showing the costs were incurred to improve the property and benefit the tenants, and evidence to show that the incurred costs were paid.

3. INCREASED HOUSING SERVICE COSTS: (Regulations Section 10.)

Housing Service Costs are expenses for services provided by the landlord related to the use or occupancy of a rental unit. In determining whether an increase in housing service costs justifies a rent increase in excess of the annual CPI increase, the annual operating expenses related to the property for the most recent two years are compared. Year two costs must exceed year one costs by more than the current annual increase. The expenses considered include property taxes, business license/taxes, and insurance, P.G. E., water, garbage, maintenance and repairs, managerial costs and other legitimate annually recurring expenses to operate the rental property, except debt service. Evidence is required to prove each of the claimed housing costs.

4. DEBT SERVICE COSTS (Regulations Section 10.)

Debt service costs are the payments on a purchase-money loan or for a loan to make improvements to the property that primarily benefit the tenants secured by a Deed of Trust. Eligible debt service costs are the actual principal and interest on a qualifying loan. No more than 95% of the eligible debt service may be passed on to the tenants. An increase in rent based on debt service costs may only be granted when the total income is insufficient to cover the combined housing service and debt service costs

Evidence of the following is required to justify a rent increase based on Debt Service Costs:

Proof of the gross operating income from the property, including, but not limited to, rents received for all units, laundry income, and parking charges;

Copies of the signed and recorded deed of trust, promissory note and closing statement;

<http://www.oaklandnet.com/government/hcd/rentboard/ordinance.html>

<http://www.oaklandnet.com/government/hcd/rentboard/rules.html>

Invoices, bills, or other evidence of payment of operating expenses such as property taxes, water and sewer costs, City of Oakland business license tax, garbage and refuse service, insurance, maintenance, utilities, legal and accounting fees, cost of on-site manager, and rental property service fee.

If the current owner and the immediate prior owner have owned the property for a combined period of less than twelve months, an increase in rent for increased debt service is not available.

5. BANKING/RENTAL HISTORY:

“Banking” refers to deferred annual general rent increases (CPI increases) that were not imposed, or were not imposed in full, and carried forward to future years. Subject to certain limitations, imposition of annual general increases may be deferred up to 10 years. After 10 years, general increases that were not imposed, expire. Evidence of the rental history of the subject unit is required.

6. NECESSARY TO MEET CONSTITUTIONAL FAIR RETURN REQUIREMENT

“Banking” refers to deferred annual general rent increases (CPI increases) that were not imposed, or were not imposed in full, and carried forward to future years. Subject to certain limitations, imposition of annual general increases may be deferred up to 10 years. After 10 years, general increases that were not imposed, expire. Evidence of the rental history of the subject unit is required.

Additional Requirements

- 1. have a current Oakland Business License**
- 2. be current on payment of the Rent Adjustment Program’s Service Fee**
- 3. file a timely response on the Landlord Response form and submit the required documentati**

If you have questions not answered by this notice, please contact the Residential Rent Adjustment Office at (510) 238-3721 between the hours of 8:30 a.m. and 5:00 p.m.

PROOF OF SERVICE

Case Number T15-0648

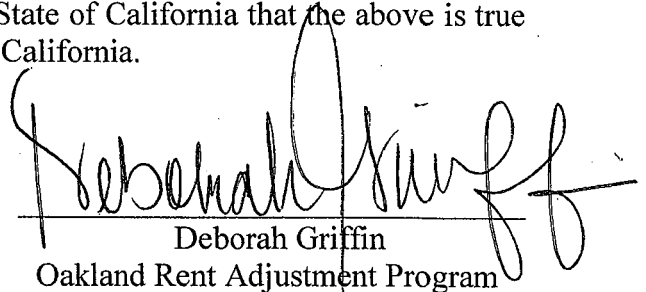
I am a resident of the State of California at least eighteen years of age. I am not a party to the Residential Rent Adjustment Program case listed above. I am employed in Alameda County, California. My business address is 250 Frank H. Ogawa Plaza, Suite 5313, 5th Floor, Oakland, California 94612.

Today, I served the attached **Notice of Tenant Contesting a Proposed Rent Increase and/or Decrease in Housing Services, Copy of Tenant Petition and Landlord Response Packet** by placing a true copy of it in a sealed envelope in City of Oakland mail collection receptacle for mailing on the below date at 250 Frank H. Ogawa Plaza, Suite 5313, 5th Floor, Oakland, California, addressed to:

Gurpal Mahal
5424 Saddleback Court
El Sobrante, CA 94803

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 10, 2016 in Oakland, California.


Deborah Griffin
Oakland Rent Adjustment Program

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T15-0648 RC/LM

<p>CITY OF OAKLAND RENT ADJUSTMENT PROGRAM Mail To: P. O. Box 70243 Oakland, California 94612-0243 (510) 238-3721</p>	<p>For date stamp. CITY OF OAKLAND 2015 DEC -7 PM 1:48</p>
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Please Fill Out This Form As Completely As You Can. Failure to provide needed information may result in your petition being rejected or delayed.

TENANT PETITION

Please print legibly

Your Name DeJada Williams	Rental Address (with zip code) 8047 Coach Drive OAKLAND CA 94605	Telephone (510) 915-6421
Your Representative's Name	Mailing Address (with zip code)	Telephone
Property Owner(s) name(s) Gurpal Mahal	Mailing Address (with zip code) 8047 Coach Drive OAKLAND CA 94605	Telephone (510) 334-2330

Number of units on the property: 6. Landlord gets Mail At House but doesn't live there

Type of unit you rent (circle one)	House	Condominium	Apartment, <u>Room</u> , or Live-Work
Are you current on your rent? (circle one)	<u>Yes</u>	No	Legally Withholding Rent. You must attach an explanation and citation of code violation.

I. GROUNDS FOR PETITION: Check all that apply. You must check at least one box. For all of the grounds for a petition see OMC 8.22.070 and OMC 8.22.090. **I (We) contest one or more rent increases on one or more of the following grounds:**

<input checked="" type="checkbox"/>	(a) The increase(s) exceed(s) the CPI Adjustment and is (are) unjustified or is (are) greater than 10%.
<input type="checkbox"/>	(b) The owner did not give me a summary of the justification(s) for the increase despite my written request.
<input type="checkbox"/>	(c) The rent was raised <u>illegally</u> after the unit was vacated (Costa-Hawkins violation).
<input type="checkbox"/>	(d) No written notice of Rent Program was given to me together with the notice of increase(s) I am contesting. (Only for increases noticed after July 26, 2000.)
<input type="checkbox"/>	(e) A City of Oakland form notice of the existence of the Rent Program was not given to me at least six months before the effective date of the rent increase(s) I am contesting.
<input type="checkbox"/>	(f1) The housing services I am being provided have decreased. (Complete Section III on following page)
<input type="checkbox"/>	(f2) At present, there exists a health, safety, fire, or building code violation in the unit. <u>If the owner has been cited in an inspection report, please attach a copy of the citation or report.</u>
<input type="checkbox"/>	(g) The contested increase is the second rent increase in a 12-month period.
<input type="checkbox"/>	(h) The notice of rent increase based upon capital improvement costs does not contain the "enhanced notice" requirements of the Rent Adjustment Ordinance or the enhanced notice was not filed with the RAP
<input type="checkbox"/>	(i) My rent was not reduced after the expiration period of the rent increase based on capital improvements
<input type="checkbox"/>	(j) The proposed rent increase would exceed an overall increase of 30% in 5 years. (The 5-year period begins with rent increases noticed on or after August 1, 2014).
<input type="checkbox"/>	(k) I wish to contest an exemption from the Rent Adjustment Ordinance (OMC 8.22, Article I)

II. RENTAL HISTORY: (You must complete this section)

Date you moved into the Unit: 1/2/2015 Initial Rent: \$ 725.00 /month

When did the owner first provide you with a written NOTICE TO TENANTS of the existence of the Rent Adjustment Program (RAP NOTICE)? Date: ~~Texting~~ 12/3/15. If never provided, enter "Never."

- Is your rent subsidized or controlled by any government agency, including HUD (Section 8)? Yes No

List all rent increases that you want to challenge. Begin with the most recent and work backwards. If you need additional space, please attach another sheet. You must check "Yes" next to each increase that you are challenging.

Date Notice Served (mo/day/year)	Date Increase Effective (mo/day/year)	Amount Rent Increased		Are you Contesting this Increase in this Petition?*		Did You Receive a Rent Program Notice With the Notice Of Increase?	
		From	To	Yes	No	Yes	No
12/3/2015	1/1/2016	\$ 725	\$ 1,050	<input checked="" type="radio"/>	No	Yes	No
		\$	\$	Yes	No	Yes	No
		\$	\$	Yes	No	Yes	No
		\$	\$	Yes	No	Yes	No
		\$	\$	Yes	No	Yes	No
		\$	\$	Yes	No	Yes	No

* You have 60 days from the date of notice of increase or from the first date you received written notice of the existence of the Rent Adjustment program (whichever is later) to contest a rent increase. (O.M.C. 8.22.090 A 2) If you never got the RAP Notice you can contest all past increases.

List case number(s) of all Petition(s) you have ever filed for this rental unit: _____

III. DESCRIPTION OF DECREASED OR INADEQUATE HOUSING SERVICES:

Decreased or inadequate housing services are considered an increase in rent. If you claim an unlawful rent increase for service problems, you must complete this section.

- Are you being charged for services originally paid by the owner? Yes No
- Have you lost services originally provided by the owner or have the conditions changed? Yes No
- Are you claiming any serious problem(s) with the condition of your rental unit? Yes No

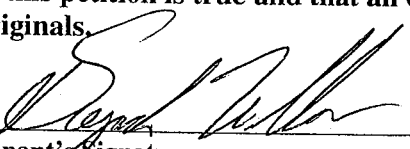
If you answered "Yes" to any of the above, please attach a separate sheet listing a description of the reduced service(s) and problem(s). Be sure to include at least the following: 1) a list of the lost housing service(s) or serious problem(s); 2) the date the loss(es) began or the date you began paying for the service(s); and 3) how you calculate the dollar value of lost problem(s) or service(s). Please attach documentary evidence if available.

To have a unit inspected and code violations cited, contact the City of Oakland, Code Compliance Unit, 250 Frank H. Ogawa Plaza, 2nd Floor, Oakland, CA 94612. Phone: (510) 238-3381

Landlord picks up Checks off Kitchen Table

IV. VERIFICATION: The tenant must sign:

I declare under penalty of perjury pursuant to the laws of the State of California that everything I said in this petition is true and that all of the documents attached to the petition are true copies of the originals.



Tenant's Signature

12/7/15

Date

V. MEDIATION AVAILABLE: Mediation is an entirely voluntary process to assist you in reaching an agreement with the owner. If both parties agree, you have the option to mediate your complaints before a hearing is held. If the parties do not reach an agreement in mediation, your case will go to a formal hearing before a Rent Adjustment Program Hearing Officer the same day.

You may choose to have the mediation conducted by a Rent Adjustment Program Hearing Officer or select an outside mediator. Rent Adjustment Program Hearing Officers conduct mediation sessions free of charge. If you and the owner agree to an outside mediator, please call (510) 238-3721 to make arrangements. Any fees charged by an outside mediator for mediation of rent disputes will be the responsibility of the parties requesting the use of their services.

Mediation will be scheduled only if both parties agree (after both your petition and the owner's response have been filed with the Rent Adjustment Program). **The Rent Adjustment Program will not schedule a mediation session if the owner does not file a response to the petition.** Rent Board Regulation 8.22.100.A.

If you want to schedule your case for mediation, sign below.

I agree to have my case mediated by a Rent Adjustment Program Staff Hearing Officer (no charge).

Tenant's Signature

Date

VI. IMPORTANT INFORMATION:

Time to File This form must be **received** at the offices of the City of Oakland, Rent Adjustment Program, Dalziel Building, 250 Frank H. Ogawa Plaza Suite 5313, Oakland, CA 94612 within the time limit for filing a petition set out in the Rent Adjustment Ordinance, Oakland Municipal Code, Chapter 8.22. Board Staff cannot grant an extension of time to file your petition by phone. For more information, please call: (510) 238-3721.

File Review

The owner is required to file a Response to this petition within 35 days of notification by the Rent Adjustment Program. You will be mailed a copy of the Landlord's Response form. Copies of **documents attached** to the Response form will not be sent to you. However, you may review these in the Rent Program office by appointment. For an appointment to review a file call (510) 238-3721; please allow six weeks from the date of filing before scheduling a file review.

VII. HOW DID YOU LEARN ABOUT THE RENT ADJUSTMENT PROGRAM?

- _____ Printed form provided by the owner
- _____ Pamphlet distributed by the Rent Adjustment Program
- _____ Legal services or community organization
- _____ Sign on bus or bus shelter
- _____ Other (describe): _____

Costa, Robert

From: dejada williams <dejadawilliams@gmail.com>
Sent: Friday, February 05, 2016 4:14 PM
To: Costa, Robert
Subject: Re: Update

The window in my room is outdated when the Wind blows the windows make a whistling sound also when it rains water seeps through the cracks of the old window drips down the wall pass electrical sockets witch is DANGEROUS into the corners on the old carpet witch leaves room for MOLD witch is hazardous to health

Also the electrical panel is weak and out dated it POPS and power shuts down A LOT

my bedroom door doesn't have a proper Lock room could be easily broken into

We also have a insect problem we get a lot of Ants , spiders and silver fish witch are attracted moisture

There are 3 sliding doors that do not have locks on this anyone off the street can into the building

Also tenants are forced to have utility bill in their name when it is a 6 bedroom home every one signed their own Lease agreement

Very hard to keep warm at night do to out dated windows I can clearly see cracks in widows where heat is NOT kept in

Also after I've given you a new address for the landlord he mailed me a letter from an address in Clovis CA

RECEIVED
FEB 05 2016
RENT ADJUSTMENT PROGRAM
OAKLAND

CHRONOLOGICAL CASE REPORT

Case No.: T16-0073
Case Name: Ullman v. Tse
Property Address: 4410 Edgewood Ave., B, Oakland, CA
Parties: Bree Ullman (Tenant)
Christopher Tse (Landlord)

TENANT APPEAL:

<u>Activity</u>	<u>Date</u>
Tenant Petitions filed	February 3, 2016
Landlord Response filed	March 3, 2016
Hearing Decision Issued	July 1, 2016
Tenant Appeal filed	July 14, 2016

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City of Oakland Residential Rent Adjustment Program 250 Frank Ogawa Plaza, Suite 5313 Oakland, California 94612 (510) 238-3721	APPEAL
--	---------------

Appellant's Name Brianne Ullman	Landlord <input type="checkbox"/> Tenant <input checked="" type="checkbox"/>
---	--

Property Address (Include Unit Number) 4410 Edgewood Ave., Apt. B

Appellant's Mailing Address (For receipt of notices) 4410 Edgewood Ave, Apt. B Oakland, CA 94602	Case Number T160073
	Date of Decision appealed June 24, 2016

Name of Representative (if any) 	Representative's Mailing Address (For notices)
--	---


appeal the decision issued in the case and on the date written above on the following grounds:
(Check the applicable ground(s). Additional explanation is required (see below). Please attach additional pages to this form.)

1. **The decision is inconsistent with OMC Chapter 8.22, Rent Board Regulations or prior decisions of the Board.** *You must identify the Ordinance section, regulation or prior Board decision(s) and specify the inconsistency.*
2. **The decision is inconsistent with decisions issued by other hearing officers.** *You must identify the prior inconsistent decision and explain how the decision is inconsistent.*
3. **The decision raises a new policy issue that has not been decided by the Board.** *You must provide a detailed statement of the issue and why the issue should be decided in your favor.*
4. **The decision is not supported by substantial evidence.** *You must explain why the decision is not supported by substantial evidence found in the case record. The entire case record is available to the Board, but sections of audio recordings must be pre-designated to Rent Adjustment Staff.*
5. **I was denied a sufficient opportunity to present my claim or respond to the petitioner's claim.** *You must explain how you were denied a sufficient opportunity 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.*
6. **The decision denies me a fair return on my investment.** *You must specifically state why you have been denied a fair return and attach the calculations supporting your claim.*

7. Other. You must attach a detailed explanation of your grounds for appeal. Submissions to the Board are limited to 25 pages from each party. Number of pages attached . Please number attached pages consecutively.

8. **You must serve a copy of your appeal on the opposing party(ies) or your appeal may be dismissed.** I declare under penalty of perjury under the laws of the State of California that on July 14, 2016, 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>	Christopher Tse
<u>Address</u>	296 Parkview Terrace
<u>City, State Zip</u>	Oakland, CA 94610
<u>Name</u>	James Coleman
<u>Address</u>	490 Lakepark Ave. #16091
<u>City, State Zip</u>	Oakland, CA 94610

	7/14/16
SIGNATURE of APPELLANT or DESIGNATED REPRESENTATIVE	DATE

IMPORTANT INFORMATION:

This appeal must be received by the Rent Adjustment Program, 250 Frank Ogawa Plaza, Suite 5313, Oakland, California 94612, not later than 5:00 P.M. on the 20th calendar day after the date the decision was mailed to you as shown on the proof of service attached to the decision. If the last day to file is a weekend or holiday, the time to file the document is extended to the next business day.

- Appeals filed late without good cause will be dismissed.
- You must provide all of the information required or your appeal cannot be processed and may be dismissed.
- Anything to be considered by the Board must be received by the Rent Adjustment Program by 3:00 p.m. on the 8th day before the appeal hearing.
- The Board will not consider new claims. All claims, except as to jurisdiction, must have been made in the petition, response, or at the hearing.
- The Board will not consider new evidence at the appeal hearing without specific approval.
- You must sign and date this form or your appeal will not be processed.

BREE A. ULLMAN
4410 Edgewood Avenue
Oakland, CA 94602
brc.esq@gmail.com

BEFORE THE RENT ADJUSTMENT PROGRAM
CITY OF OAKLAND, CA

Factual Background and Explanation of Grounds for Appeal: Case #T160073

Background:

Mr. Tse put the Edgewood Property on the Market in May of 2015. He then abruptly took the property off the market and filed a petition attempting to exempt himself from rent control, based on a 2007 condo conversion that he never completed.

Last summer, I filed a brief in response to Mr. Tse's petition, arguing that the original condo converter may not benefit from his own conversion. The law is painstakingly clear on this point. Perhaps realizing that he did not have a legal leg to stand on, Mr. Tse withdrew his petition before a hearing could ever be held. He also attempted to "buy out" Ms. Hellman by paying her to move out of her unit. She refused. So Mr. Tse tried another strategy: he raised the rent on each apartment to \$2,800 and even threatened legal action against Ms. Hellman if she did not pay him \$4,000 as an increased "security deposit."

Unit B: Transfer to James Coleman and Simultaneous Rent Raise

On December 1, at the conclusion of a Rent Board hearing concerning his attempted capital improvements increases, Mr. Tse asked hearing officer Stephen Kastin whether he could raise the rent to anything he wanted if the units were sold separately. Mr. Kastin replied that he could not give legal advice. The very next day, December 2, 2015, Mr. Tse transferred my unit to his long-term friend and former-roommate, James Coleman. He sent me a nearly 70 percent rent increase (to \$2,800) the same day. Mr. Coleman had entered my unit one month prior, for approximately 60 seconds, before making this purchase. He did not even look at the bedrooms. He has not once responded to any of my phone calls regarding the property and has not been seen on the property even once since he purportedly became my landlord. The rent increase notices and other notices that he has sent me appear to have been actually authored and delivered by Mr. Tse. Mr. Coleman's phone number is a google voice subscription with no answering machine. The emails sent from James4410@gmail.com appear to be from Mr. Tse. When my shower faucet broke, it was Mr. Tse who entered my unit in a failed attempt to make

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a repair. When I suggested that I hire a handyman and deduct the cost from my rent, Mr. Tse agreed. I offered to let my "new landlord" know, but Mr. Tse said that he would just "tell James" himself. Mr. Coleman did not even show up at the June 17 rent board hearing. He allowed Mr. Tse to act as his representative.

Unit A and C: Transfer of Unit A to Sousan Yaganhi and Rent Raise in Unit C.

On January 28, 2015 Mr. Tse then transferred Unit A to his long-term girlfriend. Property records indicate that he sold the unit for the exact same \$454,000 price that he sold my unit for. And, again, on the very same day, he raised Ms. Hellman's rent (whose unit he still owns) to the same \$2,800. Mr. Tse was evidently attempting to take advantage of the loophole that allows a landlord who has lived in a unit for more than a year (he did several years ago), and who sells off the "remaining units" to exempt his residence from rent control. He misread the law, (which requires residency *after* sale of the other units), and the Rent Board properly ruled against him. These facts are important to this appeal, however, because they indicate the strategy Mr. Tse was employing when he executed private sales to his best friend and his girlfriend and kept one remaining unit in his own name. The issue, as it pertains to Unit B, is whether the sale to Mr. Coleman was executed *in good faith*. It was not.

Until I have access to the full discovery tools available in the civil system, I cannot tell you whether actual money changed hands between Mr. Tse and Mr. Coleman or Mr. Tse and Ms. Yahaghi. I suspect that it did not. The record, however, already contains more than enough information to cast serious doubt on these transactions.

These transactions were designed by Mr. Tse (note the identical purchase prices and rent increases) with the specific purpose of exempting himself from rent control and pricing his tenants out of their homes. The sales to his closest friends were executed to justify the \$2,800 rent increases he is attempting to levy, not the other way around. The law does not tolerate this behavior, or at least, it should not reward such sham transactions with exemptions from rent control.

GROUNDS FOR APPEAL:

3. The decision raises a new policy issue that has not been decided by the Board.

At issue here is what constitutes a "bona fide" sale for the purposes of exempting a condominium from Oakland's rent control ordinance. Can a landlord sell individual units in his building to his friends and/or relatives in a quick private sale, impose a rent increase (through these agents) large enough to price the tenants out of their previously rent-controlled apartments and then turn a quick profit on the entire empty building? The Board's decision in case T160073 would appear to condone this behavior, though the language of the decision is perilously vague. If a condominium subdivider's best friend and partner may each serve as bona fide purchasers to exempt the property from rent control, then why not his children or

his brother? Can a landlord sell units to her minor children or her husband in order to escape the reach of Oakland's RAP? At what point should the City cry foul?

The City of Oakland is in a housing affordability crisis that threatens the health and welfare of the community. The interpretation of laws designed to close loopholes for landlords is thus an extremely important policy issue with potentially far-reaching implications.

In 2002, in order to curb the abuse of section 1954.52 through false condominium conversions, the legislature carefully excluded condominium units which have not been sold to a bona fide purchaser. In practical terms, this means that the original condominium converter may not exempt his own property from rent control simply by changing the designation of the property. It should also mean that the original converter cannot exempt his property from rent control by conveying parts of it to himself or his friends, with the intention of pricing the tenants out of their home and turning a quick profit. Presumably, this is why the legislature, in its 2002 amendments to the Costa Hawkins Act, added the requirement of sale to a "bona fide purchaser" rather than simply *any* purchaser for value. §1954.52(b)(2)

Unfortunately, this new "Bona fide purchaser" language does little to remedy the situation if this board refuses to assign it any meaning.

4. The decision is not supported by substantial evidence

In determining that Mr. Coleman was, in fact, a bona fide purchaser, the hearing officer ignored significant, glaring facts indicating otherwise, relying almost entirely on the existence of a grant deed evidencing that a sale to Mr. Coleman occurred.

Tenant alleged that Mr. Tse sold her unit to Mr. Coleman for the sole purpose of evading Oakland's rent control laws and that Mr. Tse continued to make all decisions related to the entire property. At no time during the entire six months following his purchase did Mr. Coleman ever speak with tenant, respond to her phone calls, or visit the property despite tenant's multiple attempts to engage him. Whether Mr. Coleman is acting as an agent of Mr. Tse is entirely relevant in this case. The law prohibits a subdivider from benefiting from his own condo conversion. Selling to friends and family who will act as ~~your~~ ^{one's} agent or further ~~his~~ ^{one's} interests is an end-run around the law.

And so it is rather extraordinary that the hearing officer refused to draw any inferences from the fact that Mr. Coleman did not show up to defend his bona fide purchaser status and that he instead had Mr. Tse defend the rent increase that Coleman claimed to have imposed without input from Mr. Tse. Mr. Tse had, of course, imposed the exact same increase on his own tenants after selling another

unit in the building to his girlfriend. The very issue at the heart of this case is whether there was an arms-length transaction between Mr. Tse and Mr. Coleman or whether Mr. Coleman is simply acting in Mr. Tse's interest (for financial, collegial or other incentive). The fact that Mr. Coleman did not attend the hearing and instead asked Mr. Tse to represent his interests is instructive on this point. Moreover, the hearing officer supports her decision by stating that Mr. Tse has a "right to sell in a private sale to someone he knows" (Hearing Decision, p. 6) and that tenant's contentions that Mr. Tse sold to his girlfriend and his best friend to evade rent control laws are pure "speculation." Surely, Mr. Tse has "a right" to sell the property to anyone he likes, but he does not have a right to an automatic exemption from rent control unless that transaction is in good faith. In fact, the record is replete with evidence that cast serious doubt on whether arms-length transactions occurred. See "Background" *supra*.

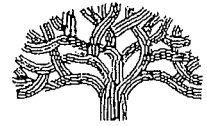
The hearing officer simply wasn't willing to consider any of the evidence that indicated a lack of good faith in the transaction between Mr. Tse and Mr. Coleman (and Mr. Tse and Ms. Yahaghi). It should also be noted, that because discovery is not a tool available to Tenants in this administrative hearing, tenants simply do not yet have access to documents which would constitute irrefutable proof of landlord's fraudulent motives. Tenants have filed or will file a civil suit in Alameda County which will open up the appropriate records necessary to deciding this case. To issue a Certificate of Exemption to Mr. Tse at this point, without any discovery, would be irresponsible and against the interests of justice.

5. I was denied a sufficient opportunity to present my case.

The hearing officer severely limited Tenant's questioning of her absentee landlord, James Coleman, who appeared briefly by phone, as well as her questioning of the real party in interest, her former landlord, Christopher Tse. Mr. Tse was extremely uncomfortable with Tenant's questions about the sale of he property to his close friends and answered most questions with "How is that relevant?" The hearing officer, for the most part let him get away with this, and did not allow questioning on a large variety of topics which would have elucidated Mr. Tse's motives for selling the property.

For example, Mr. Tse has been threatening legal action against Ms. Hellman, the tenant in unit C, if she does not pay him an additional more than \$4,000 in security deposit funds that he unilaterally imposed when she refused to be bought out of the building. The tenants at the Edgewood property have been subject to a deliberate campaign of retaliatory harassment designed to get them to abandon their rights to their rent-controlled apartments. The hearing officer severely limited testimony on these matters, stating that Mr. Tse's motivation for the sale had little bearing on whether the sale was *bona fide*. In fact, determining whether a sale was done in good faith is a holistic analysis that should not have been so conscripted.

CITY OF OAKLAND



P.O. BOX 70243, OAKLAND, CA 94612-2043

Department of Housing and Community Development
Rent Adjustment Program

TEL (510) 238-3721
FAX (510) 238-6181
TDD (510) 238-3254

HEARING DECISION

CASE NUMBERS: T16-0073, Ullman v. Tse
T16-0074, Hellman v. Tse

PROPERTY ADDRESS: 4410 Edgewood Ave, B & C, Oakland, CA

DATE OF HEARING: June 17, 2016

DATE OF DECISION: June 23, 2016

APPEARANCES: Bree Ullman, Tenant Unit C and Tenant
Representative
Sarah Hellman, Tenant Unit B
James Coleman, Owner Unit C (by phone)
Christopher Tse, Owner Unit B and Owner
Representative

SUMMARY OF DECISION

The tenant petition in case T16-0073 is denied. That unit is exempt from the Rent Adjustment Ordinance. The tenant petition in case T16-0074 is granted. That unit is not exempt from the Rent Adjustment Ordinance.

CONTENTIONS OF THE PARTIES

Tenant Bree Ullman filed a petition in case T16-0072, which alleges that a rent increase exceeds the CPI Adjustment and is unjustified or is greater than 10%; that the contested increase is the second rent increase in a 12-month period; and that the proposed increase would exceed an overall increase of 30% in 5 years.

James Coleman, the owner of the condominium unit in which Ms. Ullman resides, filed a response to the petition in which he alleged that the unit is exempt from the Rent

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Adjustment Ordinance (Ordinance) because it is a single family residence or condominium exempted by the Costa-Hawkins Rental Housing Act.

Tenant Sarah Hellman filed a petition in case T16-0073, which alleges that a rent increase from \$1,660.30 to \$2,800 a month, effective April 2, 2016, exceeds the CPI Adjustment and is unjustified or is greater than 10%; that the contested increase is the second rent increase in a 12-month period; and that the proposed increase would exceed an overall increase of 30% in 5 years.

Christopher Tse, the owner of the condominium unit in which Ms. Hellman resides, filed a response to the petition in which he alleged that the unit is exempt from the Rent Adjustment Ordinance (Ordinance) because it is a single family residence or condominium exempted by the Costa-Hawkins Rental Housing Act.

THE ISSUES

1. Does the Rent Adjustment Program have jurisdiction over whether or not the subject units were converted into condominiums legally?
2. Was Unit B sold by Christopher Tse to a "bona fide purchaser for value"?
3. If Unit B was sold to a bona fide purchaser for value, is the unit exempt from the Ordinance?
4. Is Unit C exempt from the Ordinance?
5. If Unit C is not exempt, is the rent increase allowed?

EVIDENCE

The History of the Building: Christopher Tse testified that he purchased a 3 unit apartment building at 4410 Edgewood Avenue in roughly 2005. He began a condominium conversion project in 2007 before either of the tenants in the instant case moved into the building.¹ Each unit is approximately the same size and configuration; they are each 2 bedroom units that are approximately 810 square feet. In 2008, Mr. Tse was given separate Assessor Parcel Numbers (APN) for each unit and he started paying property taxes for three separate parcels, rather than for one parcel as before the condominium conversion was complete.

From sometime in 2009-January 1, 2012, Mr. Tse lived in unit C in the subject building. He produced PG&E bills showing that he lived in that unit.² He moved out on January 1, 2012, the same day that Ms. Hellman moved into the unit. Ms. Hellman testified that she moved into a unit in which Mr. Tse had previously lived.

Mr. Tse further testified that in May of 2015 he listed the whole building for sale, or in the alternative, the individual condominiums. After it was listed he heard from his realtor that Ms. Ullman had left some kind of threatening letter on her kitchen table

¹ See Exhibit 5, which is only one page of the letter he received from the *City of Oakland*. This Exhibit, and all other Exhibits referred to in this Hearing Decision, was admitted into evidence without objection.

² Exhibit 8

relating to the potential sale and so the realtors chose to withdraw from the contract they had with Mr. Tse. Ms. Ullman denied ever leaving any kind of threatening letter. Mr. Tse did not have any proof of this alleged letter. Tse testified that there had not been any offers made on the units before they were withdrawn from the market.

Tse further testified that after withdrawing the units from the market, he sold Unit B in a private sale in December of 2015 to an old friend of his, James Coleman. He sold it for \$454,000.³ Because Coleman knew that Tse wanted to sell the units, Coleman approached Tse about purchasing one of the units. They had an appraisal done, they looked at comparable sales and agreed on a price based on the appraisal. The unit was sold to Coleman on December 2, 2015.

Ullman testified that she moved into Unit B at 4410 Edgewood Avenue in April of 2010 at an initial rent of \$1,500 a month. When she moved in she was informed that the apartment was rent controlled. She was repeatedly served with *RAP Notices*. She was never served with any documents related to the condominium conversion.

Ullman further testified that on December 2, 2015, she was served with a rent increase notice purporting to increase her rent from \$1,601.11 to \$2,800 a month, effective February 8, 2016.⁴ She received this by email. She did not ever receive it through the mail. According to the *Tenant's Petition*, this document was also served with a *RAP Notice*.

Mr. Tse testified that he sold unit A in the subject building to his girlfriend, Sousan Yahaghi, in January of 2016.⁵ They based the purchase price as the same amount for which Tse had sold Unit B to Coleman. Tse further testified that he did not pay any money to Ms. Yahaghi to assist her in the purchase of the property from him.

Coleman testified that he purchased Unit B from Mr. Tse for \$454,000. He made a down payment of \$20,000 and took out a mortgage for the rest of the purchase price. There was an escrow opened when he purchased the property. Coleman further testified that he has known Christopher Tse for 8-10 years or longer and that he used to live in the unit that he purchased from Tse.

On cross-examination Coleman was asked for how long he had visited the apartment before agreeing to purchase it. He responded that he had lived in the unit in the past and had actually been in all three of the apartments in the subject property. Coleman denied knowing of any prior plans by anyone to purchase the entire property from Tse.

Coleman further testified that he was the one who suggested that he purchase the property from Tse. On cross-examination he testified that he gets the tenant's rent checks and deposits them and that he has written her eviction notices and posted them on her door. Additionally, he has an email address that he uses that is

³ Exhibit 4, the Grant Deed, shows the purchase price as \$454,000

⁴ Exhibit 3

⁵ Exhibit 9

james4410@gmail.com that only he has access to. Mr. Tse does not have access to that email account.

Tenant Ullman testified that since he purchased the property she has not met with Mr. Coleman and that her cross-examination of him was the first conversation she had had with him since he became the owner of her unit; that she has no way of contacting him other than via email; that he does not answer the phone; she has never seen him at the property; and that she believes she is communicating with Mr. Tse when she writes to the james4410@gmail.com email account. She further testified that she believes that Tse sold the property to friends for less money than he might have gotten on the open market and that this was a sign that the sales were not in good faith.

Ullman testified that Coleman came into her unit to see it before he purchased it but was in the unit for less than 60 seconds. After Coleman purchased the property, when he shower head broke, it was Mr. Tse, not Coleman, who came to her unit to attempt to repair it.

Coleman testified that no one but him has access to that email account. Tse testified that he does not have access to that email account.

Coleman testified that he did not receive any money from Mr. Tse prior to purchasing the unit.

Hellman testified that she moved into unit C at 4410 Edgewood Avenue, in January of 2012 at an initial rent of \$1,550 a month.⁶ On January 28, 2016, she received a rent increase notice purporting to increase her rent from \$1,660.30 to \$2,760.67, effective April 2, 2016.⁷ She received the rent increase notice because it was posted on her door. She possibly also got it in the mail but she does not remember.

Tse testified that his intent in selling the units was to be able to pay off his mortgage, which was an adjustable mortgage with rates that were increasing. After he sold the two units to Coleman and Yahaghi, he was able to pay off his mortgage. He provided proof that he paid off his mortgage.⁸

Tse further testified that he and Mr. Coleman did not decide together regarding a rent increase on the units they owned. After Coleman raised the rent on Unit B, Tse decided to raise the rent on Unit C to the same amount. Tse does not direct Coleman in the management of the property. Tse did not serve Coleman's rent increase notices or other documents. In one instance when Ullman's faucet was leaking, Tse tried to take care of the problem for Coleman because he was there doing work on the property.

Tse testified on cross examination that he had never spoken with Coleman and Yahaghi about selling the entire building together and that he has not decided whether or not he

⁶ Exhibit 6

⁷ Exhibit 7

⁸ Exhibit 10

will sell the one unit he continues to own. Tse did not pay off the tenants in Unit A to leave the property. Tse testified that the reason he sold the units to Coleman and Yahaghi rather than on the open market is because he wanted to sell to them. Tse further testified on cross examination that he had informed Coleman and Yahagi that there had been claims before the RAP regarding the owner's right to increase the rent.

Ullman contended that because Tse sold the property to two of his close friends and not on the open market, there was evidence of some ulterior motive between the three now current owners to later sell the property after the tenants are priced out of the units (and the units are then vacant) all together for more money. She additionally contended that since the owners are all friends, that Tse retains some control over what happens in the building.

Ullman had offered into evidence a *Redfin* estimate regarding the value of the property. It was not admitted into evidence.⁹

Ullman additionally tried to argue that the units in question were not originally converted into condominiums through legal process. Her questions to Mr. Tse about this were limited by the Hearing Officer. (See below.)

FINDINGS OF FACT AND CONCLUSIONS OF LAW

Does the Rent Adjustment Program have jurisdiction over whether the condominiums were legally subdivided?

The tenants sought to argue that the units in question were not ever legally subdivided. The RAP does not have jurisdiction over whether or not the units in question were legally subdivided. At the time the tenants' petitions were filed, each of the units in question had individual Assessor Parcel Numbers (APN). Therefore, they were de facto condominiums (units that could be sold separately.) Whether or not the condominium status was improperly granted is not a determination that can be made by the RAP.

Therefore, the tenant's questions to the owner about the original condominium conversion process was limited in scope.

Was Unit B Sold To a Bona Fide Purchaser for Value?

The evidence in this case established that Christopher Tse purchased the entire 3 unit apartment building located at 4410 Edgewood Avenue in 2004. In 2007, he began a process to subdivide the units into condominiums. At some point in 2007 or 2008, that process was approved and Tse was given three Assessor Parcel Numbers for the three separate units, when in the past there was only one APN.

⁹ This document was not admitted into evidence because there was no substantiation as to how *Redfin* determined the purported value of the unit in question. Additionally, the document (which was 9 pages) contained numerous comments regarding other properties in a section entitled "*What It Takes To Win An Offer Near 94602*"

In December of 2015, Tse sold Unit B to James Coleman. Coleman was a longtime friend of Tse's. He purchased the property for \$454,000. Twenty thousand dollars was paid by down payment, and Coleman financed the rest of the purchase price. There is no evidence that Tse paid any money to Coleman to purchase the property, or that Tse continues to control the unit in any substantive way. Since Coleman and Tse remain friends, the fact that Tse acted on Coleman's behalf to attempt a repair of a broken faucet does not change the basic facts.

Additionally, Ullman's contentions that there is something wrong with the purchase because Tse sold both of the units he sold to longtime friends is pure speculation. There is no evidence of a conspiracy. Tse has the right to sell in a private sale, or to sell the units on the open market. He chose to sell in a private sale to someone he knows. There is no evidence that had he sold on the open market he would have gotten more money for the units, and as such, the private sale is somehow suspect.

The case cited by Ullman, *Melendrez v. D and I Investments, Inc.*, 127 Cal.App.4th 1238, does not require a different result. In that case the court upheld a sale where a borrower claimed that a trustee sale of property to a new buyer was invalid because the buyer should have known of the borrower's continued assertion of a right to the property under a repayment agreement. The court held that in order to be a "bona fide purchaser" the buyer had to "purchase the property in good faith *for value*, and (2) have no knowledge or notice of the asserted rights of another." *Id* at 1251. With respect to the question of the rights asserted by another, the court discussed that the buyer should not have "knowledge or notice of a competing claim."

However, in this case, the mere fact that the tenants had previously filed claims against the owner in this forum, does not mean that the tenants had any potential rights or claims as owners of the property. The *Melendrez* case involved a prior owner of the property, not a tenant. The mere fact that Coleman knew that the tenants had brought previous claims against the owner in this forum does not mean that he was not a bona fide purchaser.

There is simply no evidence that the prior owner did anything out of the ordinary. Ullman's claims are conjecture. Coleman sought to sell his property. He sold two of the three units to people he knew. There is no law against this. Coleman was a bona fide purchaser for value.

Is Unit B Exempt From the Rent Adjustment Program?

The Oakland Rent Adjustment Ordinance (Ordinance) exempts single family residences and condominiums if they are exempt pursuant to the Costa-Hawkins Rental Housing Act, California Civil Code §1954.52.¹⁰ California Civil Code Section 1954.52(a)(3) [Costa-Hawkins] provides that a dwelling or unit which is separately alienable from any other dwelling or unit is exempt from local rent control after the units are subdivided and then "sold separately by the subdivider to a bona fide purchaser for value."¹¹

¹⁰ O.M.C. § 8.22.030(A)(7)

¹¹ Civil Code Section 1954.52(a)(3)(B)(ii)

In this case, the units were subdivided by Christopher Tse. After the subdivision, Tse sold Unit B to a bona fide purchaser for value. Therefore, Unit B is exempt from the Rent Adjustment Program.

Is Unit C Exempt From the Rent Adjustment Program?

The Costa-Hawkins Rental Housing Act holds that the original subdivider of a property is not exempt from rent control unless:

“all the dwellings or units except one have been sold separately by the subdivider to bona fide purchasers for value, and the subdivider has occupied **that remaining** unsold condominium dwelling or unit as his or her principal residence for at least one year after the subdivision occurred.” (Emphasis added.) Civil Code § 1954.52(a)(3)(B)(ii).

The evidence established that Christopher Tse lived in Unit B on the subject property from 2009-2012. However, he did not live there after the other two units were sold to Coleman and Yahagi.

Tse argued that it did not matter when he lived in the unit, as long as he lived there for at least one year after the subdivision occurred. Ullman argued that Tse had to live in the unit after the subdivision occurred for Tse to have the right to be exempt from rent control.

Ullman is correct. It is a maxim of statutory construction that “Courts should give meaning to every word of a statute if possible, and should avoid a construction making any word surplusage.” (*Arnett v. Dal Cielo* (1996) 14 Cal.4th 4, 22) Under general rules of statutory interpretation, an interpretation which has the effect of making statutory language null and void is to be avoided. (*People v. Woodhead* (1987) 43 Cal.3d 1002, 1010; *Prager v. Isreal* (1940) 15 Cal.2d 89, 93).

The key phrase to be analyzed in this subsection of the statute is the words “**that remaining**”. Tse’s unit does not become “that remaining” unit until after the other two units are sold. In order for Tse’s unit to be exempt from rent control he must have lived in the unit after he sold the other two units. He did not. Therefore, Unit C is not exempt from rent control.

As to Unit C, is there any justification for the rent increase?

Tenant Hellman contested a rent increase she received purporting to increase her rent from \$1,660.30 to \$2,800, effective April 2, 2016. In the Owner’s Response, his only justification for the rent increase was his argument that the unit is exempt from the RAP.

As noted above, the unit is not exempt from the RAP. Without any other justification, the rent increase is invalid.

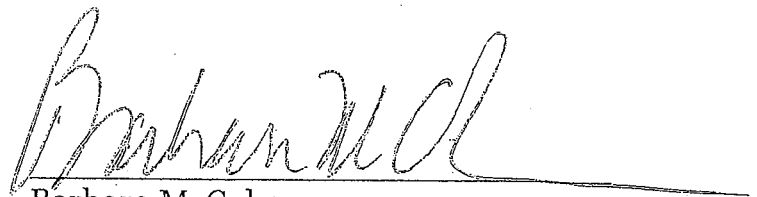
Additionally, the RAP allows only one rent increase in any 12 month period. O.M.C. § 8.22.070(A). Official Notice is taken of case T15-0390. In that case the Hearing Officer upheld a rent increase to Ms. Hellman's unit effective August 1, 2015. No rent increase can be given to this tenant at any time before August 1, 2016. This is another reason why the rent increase is invalid.

For these reasons, tenant Hellman's rent remains \$1,660.36.

ORDER

1. The petition of Tenant Ullman (T16-0073) is denied. The petition of Tenant Hellman (T16-0074) is granted.
2. Unit B is exempt from the Rent Adjustment Program. A Certificate of Exemption for the subject unit will be issued upon this Decision becoming final.
3. Unit C is not exempt from the Rent Adjustment Program.
4. The rent for Unit C remains \$1,660.36 a month.
5. The owner is not entitled to a rent increase on Unit C until August 1, 2016.
6. **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 twenty (20) days after service of the decision. The date of service is shown on the attached Proof of Service. If the Rent Adjustment Office is closed on the last day to file, the appeal may be filed on the next business day.

Dated: June 23, 2016



Barbara M. Cohen
Hearing Officer
Rent Adjustment Program

PROOF OF SERVICE

Case Number T16-0073

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 **Hearing Decision** by placing a true copy of it in a sealed envelope in City of Oakland mail collection receptacle for mailing on the below date at 250 Frank H. Ogawa Plaza, Suite 5313, 5th Floor, Oakland, California, addressed to:

Owner

James Coleman
490 Lakepark Ave #16091
Oakland, CA 94610

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 **July 1, 2016** in Oakland, California.



Esther K. Rush
Oakland Rent Adjustment Program

PROOF OF SERVICE

Case Number T16-0073 and T16-0074

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 **Hearing Decision** by placing a true copy of it in a sealed envelope in City of Oakland mail collection receptacle for mailing on the below date at 250 Frank H. Ogawa Plaza, Suite 5313, 5th Floor, Oakland, California, addressed to:

James Coleman
490 Lakepark Ave #16091
Oakland, CA 94610

James Coleman
360 Grand Ave #80
Oakland, CA 94610

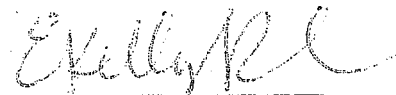
Sarah Hellman
4410 Edgewood Ave #C
Oakland, CA 94602

Christopher Tse
296 Parkview Ter
Oakland, CA 94610

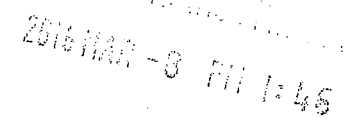
Brianne Ullman
4410 Edgewood Ave #B
Oakland, CA 94602

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 **June 24, 2016** in Oakland, California.



Esther K. Rush
Oakland Rent Adjustment Program

CITY OF OAKLAND RENT ADJUSTMENT PROGRAM P.O. Box 70243 250 Frank H. Ogawa Plaza, Suite 5313 Oakland, CA 94612 (510) 238-3721	For filing stamp. 
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Please Fill Out This Form As Completely As You Can. Failure to provide needed information may result in your response being rejected or delayed.

CASE NUMBER T - 160073

OWNER RESPONSE

Please print legibly.

Your Name <i>James Coleman</i>	Complete Address (with zip code) <i>490 Lake Park Ave #1609 Oakland, 94610</i>	Phone: <i>(510) 463-7411</i> Email: <i>jcoleman4910@gmail.com</i>
Your Representative's Name (if any)	Complete Address (with zip code)	Phone: _____ Fax: _____ Email: _____
Tenant(s) name(s) <i>Bree Ullman</i>	Complete Address (with zip code) <i>4910 Edgewood Ave #B Oakland, Ca 94602</i>	

Have you paid for your Oakland Business License? Yes No Number _____
 (Provide proof of payment.)

Have you paid the Rent Adjustment Program Service Fee? (\$30 per unit) Yes No
 (Provide proof of payment.)

There are 3 residential units in the subject building. I acquired the building on 12/02/15

Is there more than one street address on the parcel? Yes No .

I. RENTAL HISTORY

The tenant moved into the rental unit on 04/01/2010

The tenant's initial rent including all services provided was \$ 1500 / month.

Have you (or a previous Owner) given the City of Oakland's form entitled **NOTICE TO TENANTS OF RESIDENTIAL RENT ADJUSTMENT PROGRAM ("RAP Notice")** to all of the petitioning tenants?
 Yes No I don't know If yes, on what date was the Notice first given? _____

Is the tenant current on the rent? Yes No

If you believe your unit is exempt from Rent Adjustment you may skip to **Section IV. EXEMPTION**.

III. DECREASED HOUSING SERVICES

If the petition filed by your tenant claims **Decreased Housing Services**, state your position regarding the tenant's claim(s) of decreased housing services on a separate sheet. Submit any documents, photographs or other tangible evidence that supports your position.

IV. EXEMPTION

If you claim that your property is exempt from Rent Adjustment (Oakland Municipal Code Chapter 8.22), please check one or more of the grounds:

The unit is a single family residence or condominium exempted by the **Costa Hawkins Rental Housing Act** (California Civil Code 1954.50, et seq.). **If claiming exemption under Costa-Hawkins, please answer the following questions on a separate sheet:**

1. Did the prior tenant leave after being given a notice to quit (Civil Code Section 1946)?
2. Did the prior tenant leave after being given a notice of rent increase (Civil Code Section 827)?
3. Was the prior tenant evicted for cause?
4. Are there any outstanding violations of building housing, fire or safety codes in the unit or building?
5. Is the unit a single family dwelling or condominium that can be sold separately?
6. Did the petitioning tenant have roommates when he/she moved in?
7. If the unit is a condominium, did you purchase it? If so: 1) from whom? 2) Did you purchase the entire building?

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.

The unit was **newly constructed** and a certificate of occupancy was issued for it on or after January 1, 1983.

On the day the petition was filed, the tenant petitioner was a resident of a **motel, hotel, or boarding house** for less than 30 days.

The subject unit is in a building that was **rehabilitated** at a cost of 50% or more of the average basic cost of new construction.

The unit is an accommodation in a **hospital, convent, monastery, extended care facility, convalescent home, non-profit home for aged, or dormitory** owned and operated by an educational institution.

The unit is located in a building with three or fewer units. The owner occupies one of the units continuously as his or her principal residence and has done so for at least one year.

V. IMPORTANT INFORMATION

Time to File. This form **must be received** by the Rent Adjustment Program, P.O. Box 70243, Oakland, CA 94612-0243, within 35 days of the date that a copy of the Tenant Petition was mailed to you. (The date of mailing is shown on the Proof of Service attached to the Tenant Petition and other response documents mailed to you.) A postmark does not suffice. 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 wish to deliver your completed Owner Response to the Rent Adjustment Program office in person, go to the City of Oakland Housing Assistance Center, 250 Frank H. Ogawa Plaza, 6th Floor, Oakland, where you can date-stamp and drop your Response in the Rent Adjustment drop box. The Housing Assistance Center is open Monday through Friday, except holidays, from 9:00 a.m. to 5:00 p.m. **You cannot get an extension of time to file your Response by telephone.**

NOTE: If you do not file a timely Response, you will not be able to produce evidence at the Hearing, unless you can show good cause for the late filing.

File Review. You should have received a copy of the petition (and claim of decreased services) filed by your tenant with this packet. Other documents provided by the tenant will not be mailed to you. You may review additional documents in the RAP office by appointment. For an appointment to review a file or to request a copy of documents in the file call (510) 238-3721.

VI. VERIFICATION

Owner must sign here:

I declare under penalty of perjury pursuant to the laws of the State of California that all statements made in this Response are true and that all of the documents attached hereto are true copies of the originals.

Owner's Signature

Date

VII. MEDIATION AVAILABLE

Your tenant may have signed the mediation section in the Tenant Petition to request mediation of the disputed issues. Mediation is an entirely voluntary process to assist the parties to reach an agreement on the disputed issues in lieu of a Rent Adjustment hearing.

If the parties reach an agreement during the mediation, a written Agreement will be prepared immediately by the mediator and signed by the parties at that time. If the parties fail to settle the dispute, the case will go to a formal Rent Adjustment Program Hearing, usually the same day. A Rent Adjustment Program staff Hearing Officer serves as mediator unless the parties choose to have the mediation conducted by an outside mediator. If you and the tenant(s) agree to use an outside mediator, please notify the RAP office at (510) 238-3721. Any fees charged by an outside mediator for mediation of rent disputes will be the responsibility of the parties requesting the use of their services. (There is no charge for a RAP Hearing Officer to mediate a RAP case.)

Mediation will be scheduled only if both parties request it – after both the Tenant Petition and the Owner Response have been filed with the Rent Adjustment Program. **The Rent Adjustment Program will not schedule a mediation session if the owner does not file a response to the petition.** (Rent Board Regulation 8.22.100.A.)

If you want to schedule your case for mediation, sign below.

I agree to have my case mediated by a Rent Adjustment Program Staff Hearing Officer (no charge).

Owner's Signature

Date

Tile 0073 PC/BC

CITY OF OAKLAND RENT ADJUSTMENT PROGRAM Mail To: P. O. Box 70243 Oakland, California 94612-0243 (510) 238-3721	For date stamp. 2016 FEB -3 PM 4:28
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Please Fill Out This Form As Completely As You Can. Failure to provide needed information may result in your petition being rejected or delayed.

TENANT PETITION

Please print legibly

Your Name Brianna Ullman	Rental Address (with zip code) 4410 Edgewood Ave Apt. B	Telephone (425) 318-0708
Your Representative's Name Sarah Hellman	Mailing Address (with zip code) " Apt C	Telephone (916) 261-7961
Property Owner(s) name(s) James Coleman Christopher TSC	Mailing Address (with zip code) 360 Grand Ave #80 Oakland, CA 94610 296 Parkview Terrace Oakland, CA 94610	Telephone (510) 463-1411

Number of units on the property: 3

Type of unit you rent (circle one)	House	Condominium	Apartment, Room, or Live-Work
Are you current on your rent? (circle one)	Yes	No	Legally Withholding Rent. You must attach an explanation and citation of code violation.

I. GROUNDS FOR PETITION: Check all that apply. You must check at least one box. For all of the grounds for a petition see OMC 8.22.070. **I (We) contest one or more rent increases on one or more of the following grounds:**

<input checked="" type="checkbox"/>	(a) The increase(s) exceed(s) the CPI Adjustment and is (are) unjustified or is (are) greater than 10%.
<input type="checkbox"/>	(b) The owner did not give me a summary of the justification(s) for the increase despite my written request.
<input type="checkbox"/>	(c) The rent was raised <u>illegally</u> after the unit was vacated (Costa-Hawkins violation).
<input type="checkbox"/>	(d) No written notice of Rent Program was given to me together with the notice of increase(s) I am contesting. (Only for increases noticed after July 26, 2000.)
<input type="checkbox"/>	(e) A City of Oakland form notice of the existence of the Rent Program was not given to me at least six months before the effective date of the rent increase(s) I am contesting.
<input type="checkbox"/>	(f) The housing services I am being provided have decreased. (Complete Section III on following page)
<input type="checkbox"/>	(g) At present, there exists a health, safety, fire, or building code violation in the unit. <u>If the owner has been cited in an inspection report, please attach a copy of the citation or report.</u>
<input checked="" type="checkbox"/>	(h) The contested increase is the second rent increase in a 12-month period.
<input type="checkbox"/>	(i) The notice of rent increase based upon capital improvement costs does not contain the "enhanced notice" requirements of the Rent Adjustment Ordinance or the notice was not filed with the Rent Adjustment Program (effective August 1, 2014).
<input type="checkbox"/>	(j) My rent has not been reduced after the expiration period of the rent increase based on capital improvements.
<input checked="" type="checkbox"/>	(k) The proposed rent increase would exceed an overall increase of 30% in 5 years. (The 5-year period begins with rent increases noticed on or after August 1, 2014).

II. RENTAL HISTORY: (You must complete this section)

Date you moved into the Unit: April 1, 2010 Initial Rent: \$ 1,500.00 /month

When did the owner first provide you with a written NOTICE TO TENANTS of the existence of the Rent Adjustment Program (RAP NOTICE)? Date: Probably w/ lease If never provided, enter "Never."
Definitely on 6/1/13

• Is your rent subsidized or controlled by any government agency, including HUD (Section 8)? Yes No

List all rent increases that you want to challenge. Begin with the most recent and work backwards. If you need additional space, please attach another sheet. You must check "Yes" next to each increase that you are challenging.

Date Notice Served (mo/day/year)	Date Increase Effective (mo/day/year)	Amount Rent Increased		Are you Contesting this Increase in this Petition?*	Did You Receive a Rent Program Notice With the Notice Of Increase?
		From	To		
12/10/15	2/08/15	\$1601.11	\$2800.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6/30/15	8/1/15	\$1545.00	\$1,682.77	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6/1/13	8/1/2013	\$1500.00	\$1545.00	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

* You have 60 days from the date of notice of increase or from the first date you received written notice of the existence of the Rent Adjustment program (whichever is later) to contest a rent increase. (O.M.C. 8.22.090 A 2) If you never got the RAP Notice you can contest all past increases.

List case number(s) of all Petition(s) you have ever filed for this rental unit. L15-022 | T15-0389

III. DESCRIPTION OF DECREASED OR INADEQUATE HOUSING SERVICES:

Decreased or inadequate housing services are considered an increase in rent. If you claim an unlawful rent increase for service problems, you must complete this section.


Are you being charged for services originally paid by the owner? Yes No
 Have you lost services originally provided by the owner or have the conditions changed? Yes No
 Are you claiming any serious problem(s) with the condition of your rental unit? Yes No

If you answered "Yes" to any of the above, please attach a separate sheet listing a description of the reduced service(s) and problem(s). Be sure to include at least the following: 1) a list of the lost housing service(s) or serious problem(s); 2) the date the loss(es) began or the date you began paying for the service(s); and 3) how you calculate the dollar value of lost problem(s) or service(s). Please attach documentary evidence if available.

To have a unit inspected and code violations cited, contact the City of Oakland, Code Compliance Unit, 250 Frank H. Ogawa Plaza, 2nd Floor, Oakland, CA 94612. Phone: (510) 238-3381

IV. VERIFICATION: The tenant must sign:

I declare under penalty of perjury pursuant to the laws of the State of California that everything I said in this petition is true and that all of the documents attached to the petition are true copies of the originals.


Tenant's Signature

1/31/16
Date

V. MEDIATION AVAILABLE: Mediation is an entirely voluntary process to assist you in reaching an agreement with the owner. If both parties agree, you have the option to mediate your complaints before a hearing is held. If the parties do not reach an agreement in mediation, your case will go to a formal hearing before a Rent Adjustment Program Hearing Officer the same day.

You may choose to have the mediation conducted by a Rent Adjustment Program Hearing Officer or select an outside mediator. Rent Adjustment Program Hearing Officers conduct mediation sessions free of charge. If you and the owner agree to an outside mediator, please call (510) 238-3721 to make arrangements. Any fees charged by an outside mediator for mediation of rent disputes will be the responsibility of the parties requesting the use of their services.

Mediation will be scheduled only if both parties agree (after both your petition and the owner's response have been filed with the Rent Adjustment Program). **The Rent Adjustment Program will not schedule a mediation session if the owner does not file a response to the petition.** Rent Board Regulation 8.22.100.A.

If you want to schedule your case for mediation, sign below.

I agree to have my case mediated by a Rent Adjustment Program Staff Hearing Officer (no charge).

Tenant's Signature

Date

VI. IMPORTANT INFORMATION:

Time to File This form must be **received** at the offices of the City of Oakland, Rent Adjustment Program, Dalziel Building, 250 Frank H. Ogawa Plaza Suite 5313, Oakland, CA 94612 within the time limit for filing a petition set out in the Rent Adjustment Ordinance, Oakland Municipal Code, Chapter 8.22. Board Staff cannot grant an extension of time to file your petition by phone. For more information, please call: (510) 238-3721.

File Review

The owner is required to file a Response to this petition within 35 days of notification by the Rent Adjustment Program. You will be mailed a copy of the Landlord's Response form. Copies of **documents attached** to the Response form will not be sent to you. However, you may review these in the Rent Program office by appointment. For an appointment to review a file call (510) 238-3721; please allow six weeks from the date of filing before scheduling a file review.

VII. HOW DID YOU LEARN ABOUT THE RENT ADJUSTMENT PROGRAM?

- Printed form provided by the owner
- Pamphlet distributed by the Rent Adjustment Program
- Legal services or community organization
- Sign on bus or bus shelter
- Other (describe): _____

Notice of Change of Terms of Tenancy

Date: December 2, 2015

Received Dec 2, 2015

To: Brianne Ullman

Tenant in possession of the premises at
4410 Edgewood Ave., #B
City of Oakland, County of Alameda, California

The terms of tenancy under which you occupy these premises are changed as follows:


As of December 2nd, 2015, James Coleman is the new owner / landlord.

You are hereby authorized and directed to make all future rent payments, beginning with the payment falling due on **January 01, 2016** to the New Owner at the following address:

360 Grand Ave., #80, Oakland, Ca 94610
ph: 510.463.1411

Please note that payments postmarked past the due date will be subject to all penalties as specified on the lease agreement. Additionally, new owner is aware that rent maybe adjusted per Rent Adjustment Program's decision on case # T15-0389

The change in terms of tenancy shall be effective immediately.


James Coleman - Landlord / Owner

12/2/2015
Date

subject property.

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