From: Larry Tam

**Sent:** Thursday, April 16, 2020 10:13 AM **To:** City Clerk <city.clerk@sanjoseca.gov> **Subject:** Strongly Opposing "Rent Suspension"



#### [External Email]

Let us be fair. We know a lot of tenants got impacted by COVID-19. However, this is same for property owners. We got mortgage to pay as well. The problem had been addressed by California government and federal government with very generous benefits. People who lost their job can get 40% of their salary, plus \$600 per week from Fed. If city would like to help, please pay the tenant from city's reserve. Using property owner's money instead of city's reserve is purely robbery and unconstitutional. Prohibit owner to collect rent is purely irresponsible, unreasonable and absurd idea. It is communism.

L A Kurth Thu 4/16/2020 11:40 AM

- City Clerk;
- District 6

[?

#### [External Email]

Dear Councilors including my own, Dev. Davis,

There might be exceptions, perhaps, for certain extremely luxurious apartments, but I do think the rent freeze, given the massive unemployment going on, is essential.

As we see from the heartbreaking news about meatpacking plant workers, many poorer people are invisibly keeping life semi-normal for the more privileged, and the least we owe them is not to make them destitute or homeless.

I personally know a number of people who have lost their jobs. For now, they can survive, but any big expense will topple them.

I'm so glad California is extending the \$500 to those who bring us our food. Cordially,

Lita Kurth

gladys huang Thu 4/16/2020 11:29 AM

City Clerk

I AM AN RETIRED PRIVATE PIANO TEACHER, I SAVED ALL MY LIFE ( 40 YEARS OF HARD WORKING), BOUGHT RENTAL HOUSE TO GET SOME RETIREMENT INCOME. MY TENANT WORKS IN GOOGLE AND OTHER HIGH TECH COMPANY, THEY MAKE 'MUCH MORE' THAN I DO. EVEN YOU WANT TO REDUCE 25%, RENT, THIS PROPOSAL HAS TO BE BASED ON TENANT'S 'INCOME'!!!!!!!!!

TO APPLY TO ALL RENTAL PROPERTIES THAT IS TOTALLY INSANE! IF WE AS A SMALL PROPERTIES OWNER CAN'T SURVIVE, I WILL HAVE TO RELY ON GOVERNMENT TO PUT FOOD ON MY TABLE, SOON I WILL BE ONE OF THE HOMELESS PEOPLE ON THE STREET!!!

PLEASE REDUCE MY PROPERTY TAX , UTILITY BILL, INSURANCE , REPAIR COST BY 25% , TO MAKE IT 'FAIR"!!!!

I AM STRONG OPPOSE THIS INSANE AB 828!!!!

Shunn

# GOLDEN STATE MANUFACTURED-HOME OWNERS LEAGUE



GSMOL Region Manager Region 1 Zone A-1

April 17, 2020

TO:

Mayor and Council

FROM:

Martha O'Connell

RE:

CC 4-21-20

Item 8.1: Support Rent Freeze as Emergency Ordinance

Save Trailer Terrace – D 7 and Magic Sands – D2

All attached Park data in the chart confirmed by emails to me from residents.

Both Trailer Terrace and Magic Sands have been served with rent increase notices effective May 1, 2020. Trailer Terrace is a Mobilehome/RV Park in D7. It is one of the poorest Parks in San Jose. It is a majority minority Park with a majority of non-English speakers. Magic Sands is one of the largest family Parks in our City, 541 homes, where residents are sheltering in place.

These residents have been served a notice that effective May 1, 2020, their rent is being raised 3%. If you do not vote to enact the rent increase freeze ordinance as an emegnecy ordinance these folks will have their rent raised before the regular ordinance can go into effect.

Attached is a chart showing other rent increases. It is a work in progress as I receive more information. Colonial Mobile Manor, a low to moderate income Senior Park, has been served with a June 2020 rent increase. The majority minority, low income, mostly non or limited English speakers in San Jose MH and RV have also been served with a June 2020 rent increase.

See the attached chart which shows other Parks due to receive rent increases.

At the Council meeting of 4-14-20 the Mayor and several Council members commented that only bad actors would raise the rent now. In my opinion, the award for "Best Bad Actor" should go to Lamplighter. Their residents were served with a notice the first week of April 2020 for a July 2020 rent increase.

Please pass the emergency rent freeze ordinance.

PARK	DISTRICT	# OF HOMES	RENT INCREASE
Casa del Lago	4	618	February
Chateau La Salle	7	433	September
Colonial M. Manor	9	207	June
Golden Wheel	3	221	April
Imperial Mobile Estat	es 10	174	March
Lamplighter	4	265	July
Magic Sands	2	541	May
Millpond	6 and 7	361	December
Mountain Springs	7	144	January
Oakcrest	4	158	April
Pepper Tree	7	273	October
Quail Hollow	6	186	January
San Jose MH and RV	3	81	June
Silver Creek	7	240	March
Town and Country	2	191	April
Trailer Terrace	7	57	May
Villa Teresa	10	147	August
Westwinds	4	723	September
Willow Glen Estates	6	90	June

From: Liwang Chiang

**Sent:** Thursday, April 16, 2020 9:00 PM **To:** City Clerk <city.clerk@sanjoseca.gov>

Subject: Oppose rent freeze

Hello,

I am a small San Jose landlord with only income from the rent. I am barely survived during this COVID-19 pandemic crisis since my rental business is losing money as I am receiving fewer rent payments due to rent moratorium while I still need to pay many bills, such as mortgage, utilities, insurance, property taxes, several San Jose city charges, repairs, improvements, etc. Since I already suffer from rental income decrease, now the City even wants to add more restrictions to small landlords by adding the rent freeze ordinance.

It is UNFAIR to put the burden on small landlords who own the rent controlled properties, while the large rental companies who own the properties that are not under rent control, such as the apartments that are newer than year 1979.

I strongly suggest the City to come up with a fair measures to cope with the COVID19 crisis, for example, provide grant/loan to tenants, subside the rent, reduce the tax and charges to landlords. It is the job of San Jose City to come up with solutions, not the small landlords.

Also I would strongly suggest that the City council and staff can support the needed tenants by freezing the salary increase and donating the planed salary increase/allowance to tenants.

I think the City should also propose the measures to help and support the struggling landlords to cope with COVID-19 crisis. They are helping the City on providing residences and minimizing housing problem. For example, reducing the utility bills, business tax, code enforce charges, registration fee, etc.

Best regards, Johnson

## Rent Increase Freeze 8.1 CC 4-21-20

## Glenna Howcroft <glen77how@yahoo.com>

Sat 4/18/2020 9:33 AM

To:

- The Office of Mayor Sam Liccardo; District1; District2; District3; District4; District5; District 6; District7; District8;
- District9; District 10; Agendadesk; Martha O'Connell Glenna Howcroft

[2

I am the President of GSMOL Superchapter 0008 in San Jose. GSMOL, Golden State Manufactured Homeowners League, is the largest statewide organization representing Mobilehome Park residents.

A superchapter is one that contains more than one Park. We have Colonial Mobile Manor and Pepper Tree Estates in ours. On June 1, 2020, the Seniors in Colonial I Mobile Manor will have their rent go up by 3.01%. Some of them work to make ends meet or their children help out. They are now on lockdown.

In October, the rents in Pepper Tree Estates, a low to moderate income family Park will go up. Pepper Tree has a huge number of Asians many of whom work two or three jobs to stay afloat. Many Seniors live here also.

Please support the rent increase freeze as an emergency ordinance: Item 8.1 Council meeting 4-21-20. Don't ignore as Councilpersons what as human beings you know is right.

# Freeze. Rent increase Al Sequeira

Sat 4/18/2020 10:55 AM

• Agendadesk; martha O'Connell 🛚

[External Email]

Every aspect of living is being affect. City is taking the lead to help school, family meal, seniors and small and large businesses. We know this economy will rebound, Just need temporary support.

Adolfo A. Sequeira

Sent from my iPad

# Rent increase for Mobile Homes / 2020 imloz.il

Sat 4/18/2020 11:17 AM

Agendadesk

To who it may concern as a resident of Colonial Manor Mobile Home Park I feel this rent increase comes at a bad time for all Mobile home Park residents, with the coronavirus pandemic on us all at this time with financial hardship upon us all this increase will bring in more of a hardship then one can imagine, we are all in this together but if this rent increase is passed so many will have to deal with either paying more rent or to put food on the table as well paying other Bill's, we didn't ask for this but yet here we are, if this increase can be held back till next next year in Hope's we are passed this pandemic it would be a better time although rent increase is not something we have to look forward to every year.

Please consider the Thousands of residents who live in these Mobile home park that are just getting by how this will effect them, thank you for you time and I pray you all keep safe and healthy.

# Rent increase freeze vote on 4-21-20 Marjorie Lundberg Sat 4/18/2020 4:00 PM

Agendadesk

To Mayor Sam Liccardo and San Jose District Councilmembers:

I would like to urge you to vote this coming Tuesday for the rent increase freeze. This is not the time for park owners to make money while the country is suffering so. Park residents have been laid off from work, have lost their 2 family incomes, have seen their savings slowly disappear while just paying the monthly bills. Again, this is not the time for park owners to make money.

Please vote for rent increase freeze.

Marge Lundberg Resident of Mountain Springs Mobile Home Park for Seniors

# **Rent increase**

Sasan

Sat 4/18/2020 4:07 PM

Agendadesk

Please, vote to put a freeze on Rent increase
On mobile homes, specially during these hard and tough shut downs of our total economy most have closed their business and have lost their jobs
Thank you for your valuable time
Sasan shams
Live in Mountain Springs mobile home park

Sent from my iPhone

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

# rent increases Charles Chaffin Sat 4/18/2020 4:19 PM Agendadesk

[?]

[External Email]

Hi,

I'm a resident of Mountain Springs Motor Home Park in San Jose. When you have next meeting regarding monthly rent increases, I hope that you will consider the financial impact that the COVID-19 virus has had on the residents and will not increase our rents. I know that I am struggling financially, trying to stretch my dollars so I can stay afloat. My daughter, who lives with me and does things I can no longer do, got laid off her job. I could go on-and-on, but you get the point. To raise the rents would keep me behind an ever-growing 8-ball.

Thank you.

Chuck Chaffin

From: Jack Gudgel

Date: Sat, Apr 18, 2020 at 4:30 PM Subject: Please stop rent increase

To:

We are having a challenging time and request stoping rent increases, Thank you Jack Gudgel

## **Hold off on rent increases**

Jack Gudgel

Sat 4/18/2020 4:47 PM

Agendadesk;

PastedGraphic-2.tiff 215 KB

[External Email]

Hold off on rent increases

Please read the attached letter to the City Council regarding park rent increases from Martha O'Connell, who fights long and hard for our rights as mobile home owners through GSMOL. Please check out their website at <a href="https://www.gsmol.org/">https://www.gsmol.org/</a>

We have a January rent increase month. What if it was June? Would BSM put a freeze on the increase? Martha is asking the City Council to put a freeze on rent increases. People's incomes have been hit with layoffs, businesses ordered closed, the list goes on. Let our voices be heard in support of the parks whose rent will increase in the coming months. The Council will be voting on this NEXT TUESDAY, APRIL 21.

# 4/21/20 STOP Rent Increase!

Dexter R Goody JR

Sun 4/19/2020 9:52 AM

Agendadesk

4/21/20 STOP rent increase proposal!!!

Hello all residents... although our rent increase isn't until September, other parks are in trouble right now!

At a time when most people are struggling to pay their actual rent, the last thing they need is a rent increase!

Many of these folks spoke at the city council meeting to help change the land designation for our park (and all parks). They had our backs when we needed them most, now they need our support!!

Dexter Goody Westwinds Manufactured Home Park, San Jose, CA

# letter for item 8.1 on 4/21/20

**Hanh Nguyen** 

Sun 4/19/2020 5:16 PM To: Agendadesk; martha O'Connell Cc: hanh

# To Whom It May Concern:

My name is Hanh Nguyen, Vice President GSMOL Superchapter 008. I am currently living at Pepper Tree Mobile Home Park where many people have two or three jobs to just make ends meet. Many of us have had no income during this time because of Covit-19. Please put a freeze on any rent increases. When we can go back to work, we will owe several months back rent. Please do not put the extra burden of a rent increase on us.

Thank you for your consideration.

Hanh Nguyen, Vice President GSMOL Superchapter 008

Kính Gởi Hội Đồng Xét Xử,

Tôi tên là HanhNguyen, Vice President GSMOL Superchapter 0008. Tôi đang sống tại Pepper Tree Mobile Home Park nơi có rất nhiều người không những phải làm việc vất vả mà còn làm từ hai đến ba jobs để đáp ứng những nhu cầu cần thiết và tối thiếu trong gia đình. Hiện nay, có rất nhiều người phải nghỉ việc vì tình hình dịch bệnh Covit-19. Xin hãy giúp đỡ chúng tôi bằng cách ngưng việc tăng giá thuê đất. Khi chúng tôi có thể đi làm trở lại, chúng tôi sẽ phải đối diện với việc thiếu nợ tiền thuê đất ít nhất là vài tháng (2-3 tháng). Trả tiền thuê đất hàng tháng đã là việc rất khó cho chúng tôi, xin giúp chúng tôi bằng cách dừng việc tăng giá thuê đất để giảm bớt áp lực và căng thẳng vốn đã có sẵn trong cuộc sống của chúng tôi.

Thành thật cảm ơn,

Hanh Nguyen

# **Rent Freeze for Mobile Home Parks**

Lisa Bail

Mon 4/20/2020 9:26 AM

Hello,

I am writing to request that the City of San Jose enact an immediate rent freeze on all mobile home parks in San Jose for the duration of the pandemic.

As you know, the majority of tenants in these parks are low income and many have lost jobs and income due to Covid-19. This is the worst possible time to increase rents on this vulnerable population.

The City acted quickly and with compassion in enacting an eviction moratorium while this crisis engulfs our community. Please take the next step so that mobile home dwellers will not be even further behind when the shelter in place order are lifted and people can go back to work. Thank you.

Respectfully, Lisa Bail

# **Rent increases**

Wally Owens

Mon 4/20/2020 9:29 AM

Please, please freeze the rent increases on all mobile home parks for the next scheduled increase. Thank you
Sincerely, Wally Owens
President of Quail Hollow GSMOL

Sent from my iPhone

From: yoko Xiong

**Sent:** Monday, April 20, 2020 11:22 AM **To:** City Clerk <city.clerk@sanjoseca.gov> **Subject:** Strongly opposing [ Rent Suspension]



[External Email]

Dear Sir/ Madam,

I am writing this letter to strongly opposing [Rent suspension] .

We know a lot of tenants got impacted by COVID-19.

However, this is same for property owners. we got mortgage to pay as well. the problem had been addressed by California government and federal government with very generous benefits. People who lost their job can get 40% of their salary, plus \$600 per week Feb. The guideline works and we are following it to help both the tenants and landlords. The landlord as all kinds of costs to maintain a rental utilities, repairs. If the [Rent Suspension] passes, the city should suspend those costs in the meantime time to be fair and square.

From: John Adams

**Sent:** Monday, April 20, 2020 10:48 AM **To:** City Clerk <city.clerk@sanjoseca.gov>

**Subject:** Oppose the eviction extension memorandum



## [External Email]

am a property manager in San Jose. We have a 97% paid rate at the moment and most of the currently delinquent residents are working on paying. I do have a tenant who I believe has no intention of paying us rent again and extending the eviction memorandum will give them free rent until the memorandum ends. My clients depend on the rental income and will have no recourse to collect except for a \$500 deposit. If the keys are turned in January 2, the tenant will get 9 months free and have no penalties on their credit.

I understand we are all in this together and my clients, who own the rental properties are also losing their jobs. Everyone has to work together but allowing a tenant to not pay rent will be taken advantage of and perpetuate the already slumping economy.

Sincerely,

John Adams Presidential Real Estate From: David Eisbach

**Sent:** Sunday, April 19, 2020 2:55 PM **To:** City Clerk <city.clerk@sanjoseca.gov>

**Subject:** Rent Raise Freeze

City Clerk,

Thank you for distributing this to the Council Members in advance of the April 21, 2020 Meeting.

David Eisbach

Alert: City of San Jose Wages War Against Owners of Rental Property

Notwithstanding the long history of gradually shaving the rights of property owners under the Apartment Rent Ordinance, Tenants Protection Ordinance and the Ellis Act, the latest series was on April 7, 2020 in a failed attempt to force owners of ARO controlled property to give free rent to those effected by the Virus; On April 14 the Council decided to extend the moratorium through May and couple a no-rent raise of 5% during the pandemic until 2021.

This Council seems to rely on an abundance of anecdotal proof of tenant suffering. I don't dispute that tenants could lose their job just as an owner; a tenant could catch and even die from the virus the same as an owner. I understand that low-income workers generally fall in the category of higher exposure i.e. fast foods, grocery stores, heavy labor, hair salons or house cleaning, while an owner might be working from home. Yet, in the five years in fighting the ARO, I've seen a large grouping of Immigrant Americans, who have struggled at these jobs, managed to gain ownership of older small rental properties, but who have very little extra financial cushion to get through hard times.

I have been managing residential properties for many years and I can tell you with some certainty that in the minds of many owners, there is little hope of recouping the lost rents of the pandemic. A \$4,000 extra payment with a monthly payment of 3% is \$120 over 33 months at no interest. I do not disparage the character of these tenants, who must look out for their best interests, but they will at some time just leave regardless of any agreement in writing.

Let's consider owners of a tri plex:

- 1. Loses two month's rent \$12,000
- 2. Maintenance expenses, insurance, utilities, landscape, repairs approximately 40% of income \$72,000 minus \$28,800 is \$43,200 per annum. That leaves \$3,600 per month. Property Tax \$9,000 special assessments \$1,800, Business License \$210. \$3,600 minus \$917 leaves the owner \$2,683 a month.
- 3. Also not included is the mortgage payment. \$2,200 per month leaves \$483.
- 4. You can argue that the 40% is preposterous, but when you replace a roof at \$18,000, or get a City Sidewalk replacement order for \$3,000 in one year you become a believer.
- 5. There are better and worse situations in the rental field, but surly \$12,000 loss over two months overwhelms \$966 in the owner's pocket!
- 6. Where does that money come from? Savings, borrowing, the Tenant?
- 7. One way would be to increase the rent 5% on the 12-month anniversary.
- 8. Why is the City determined to destroy financially a segment of income property owners?
- 9. If you consider the CPI at 3% then the 5% rent raise will be only 2%. Will that be enough to keep the property in good condition?
- 10. Why extend the no-raise period and take even that from owners?
- 11. I do not think that the Council should pat itself on the shoulder for such Robin Hood policies. San Jose is earning a reputation of rogue feel-good legislation aimed at the very people who house citizens. It is times like these that conspiracy theories rise. Is it possible that ruining owners of smaller properties would allow you to buy them at reduced prices, or let non-profit land companies, or clearing neighborhoods of smaller properties and then build large multi-story buildings?
- 12. You have entered a very slippery slope by tying your program to the epidemic. What if things haven't settled by June? July? August. You will in fact have succeeded in passing the bill to property owners to advance your own political standing.

I would plead with you to match the no-raise proviso only during the moratorium and not increase agony over the rest of the year.

David Eisbach 4/17/2020

From: Sean Rhinehart

Sent: Saturday, April 18, 2020 12:44 PM

To: District1 <district1@sanjoseca.gov>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; CAO Main <cao.main@sanjoseca.gov>; Cranford, Sandra <Sandra.Cranford@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: 4/21 City Council Agenda Item 9.1

Subject: 4/21 City Council Agenda Item 8.1



[External Email]

Dear City Leaders:

For a variety of reasons, there is a vulnerable tenant population that was already chronically at risk for displacement well before the COVID-19 pandemic.

Instead of focusing on how to equip these typically low income residents with the skills needed to make living in the bay area easier, or even financially feasible, San Jose has continually chosen to place additional burdens on property owners, and reduce our property rights via police and emergency powers. The city's primary focus seems to be on a short term goal of eliminating tenant displacement, regardless of cause, rather than the longer term goal of achieving economic sustainability for both tenants and property owners.

The sudden and unprecedented COVID-19 shutdown, has crippled the economy, and potentially threatens more lives than COVID-19. Stress caused by job loss or isolation can lead to domestic violence, murder, and suicide. In 2017, a year with a decade low average unemployment rate of 4.4%, and 2.3% average GDP growth, suicide was the #10 cause of death. An estimated 1.4 million people attempted suicide in the US in 2017, and 47,143 were successful. What will the suicide rate for 2020 be, with the Fed predicting a 32% unemployment rate, due to the COVID-19 shutdown?

While the media updates the ever-increasing death toll hourly, COVID-19 would not yet rank among the top ten causes of death in the US (using 2017 numbers), although it is predicted to eventually do so. In the vast majority of US cases of death attributed to COVID-19, there is at least one co-morbidity (such as heart disease, cancer, chronic lower respiratory disease, stroke, Alzheimer's disease, diabetes, kidney disease, etc.) that is among the top 10 causes of death. There is also mounting evidence that asymptomatic COVID-19 infection is very common. These two facts lead to the conclusion that the true COVID-19 death rate is very low among those without preexisting chronic health conditions, which is why most western governments are now looking at how to loosen their lock downs for all but the most vulnerable groups.

The COVID-19 shutdown disproportionately affects those in the hospitality, service, and retail industries, many of whom are paid near minimum wage. With millions of people losing their jobs each week, the displacement of this already vulnerable population has likely now become a matter of 'when', rather than 'if'.

Successive extensions of the eviction moratorium will cause the deferred rent debt to accrue, until it reaches a life changing size, for either tenants or smaller property owners. Over one third of tenants have already stopped paying rent. Once the moratorium finally ends, an inescapable wave of evictions and abandonments will start. These evictions and abandonments will degrade the rental and credit histories of the affected tenants, making it harder for them to remain in the area. The situation is no picnic for property owners, either. Evictions can cost many thousands of dollars to resolve. Normally, an abandonment might only cost the property owner a month's rent, which would be substantially covered by the security deposit. But with lengthy moratoriums, the deferred rent could easily be several months, far exceeding the security deposit. Some unfortunate property owners could even lose their properties if enough of their tenants move out before paying the deferred rent. This would likely result in the enactment of tighter tenant screening policies by the subsequent owners of these properties.

During the April 7th City Council meeting, someone lamented that families were leaving California, because they could not get government assistance quickly enough. In this context, is displacement actually a bad thing? When a family does the math, and recognizes that there are better economic opportunities elsewhere, they are taking a responsible, rational and proactive step toward a better financial future, and a step away from the downward spiral of despair, complacency, and ever-increasing dependence on the government. Self sufficiency has long been a quintessential part of the American character, and it should always be encouraged. Unfortunately, self-sufficient residents are detrimental to the interests of big government and the nonprofit industrial complex, since those who do not depend on (or believe in) big government are much less compelled to vote for it.

Agencies such as San Jose's Housing Department stack the deck against their own clients by promoting the fiction that lower income California residents are not responsible for their own livelihoods, and are essentially blameless and powerless victims in the face of the greedy property owners and high-tech businesses that are aggravating the housing crisis. The Housing Department needs the housing crisis to continually worsen, so it can raise its profile, and extract ever higher fees from property owners. If there were no housing crisis, how would the Director of Housing earn more than the governor of any state in the US?

And where were the leaders who are now passionately complaining about gentrification, when the tax deals to entice leading high-tech companies to the bay area were negotiated? Was it not obvious that these companies would only prosper by employing

highly skilled, and highly paid workers, and that these workers would be competing for housing with existing residents who generally have less means?

It is no wonder that former Californians find other regions, such as Texas, more desirable, due to lower costs of living, and doing business. Every frustrated family leaving California is the ultimate repudiation of decades of poor public policy in California. With their exit, these families make one last contribution to California, by slightly reducing the demand for housing, and hopefully bringing leaders closer to the realization that the bulk of California's historical woes are caused by its own regulations and policies.

One of the silver linings of the COVID-19 pandemic is that emergency declarations allow government to bypass some of the most troublesome self-inflicted regulations. I hope this newly found flexibility will allow for some creative, constructive, and cooperative solutions to our chronic housing issues, but the proposals presented so far (rent suspension, rent withholding, or AB 828) are not going to get the job done.

As the City Attorney has already noted, proposals of this type have serious Constitutional issues, and potentially put the city on the hook for millions in damages. There is also an element of disproportionate burden for a broad societal issue, which was the grounds for invalidating San Francisco's tenant relocation payments, twice. Should the big players win the inevitable legal challenge to rent suspension or similar actions, smaller players would likely attempt to exploit this precedent to throw out other constitutionally problematic provisions of the ARO/TPO, such as the TPO's invalidation of lease expiration dates, requirements for relocation payments, and the ARO's elimination of RUBS for units without sub-meters.

Sean Rhinehart

From: john@coyotecreekhoa.com Sent: Saturday, April 18, 2020 12:10 PM

**To:** District7 < District7@sanjoseca.gov>; The Office of Mayor Sam Liccardo

<TheOfficeofMayorSamLiccardo@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

**Cc:** John At Coyote Creek <john@coyotecreekhoa.com> **Subject:** I urge you to VOTE NO against a rent suspension.

Dear Mayor Liccardo and City Council,

I represent 300 owners of units of the Coyote Creek Homeowners Association at Tully and Lucretia.

I understand the concerns surrounding evictions and loss of income during this crisis. No one wants people pushed into homelessness, especially during the spread of COVID-19. It is safest for everyone to be able to self-quarantine when possible. This is why the previously passed eviction moratorium was important to protect the vulnerable tenants. The steps taken by the City so far have protected tenants without unfairly burdening one segment of the population. However, this proposal by Councilmembers Carrasco and Peralez goes too far.

The proposed rent suspension would place an insurmountable burden on the housing providers. It eliminates the possibility of our community working together to find creative ways to overcome this pandemic. This proposal puts mom and pop housing providers in financial peril, leaving them unable to pay property taxes and vendors who service the units. While mortgage forbearance and loans are available the timeline for assistance via these programs has been significantly drawn out due to high volume. The overall economic impact on the region would be catastrophic.

This proposal also likely violates the constitution and is illegal to implement, leaving the City open to countless litigation cases from housing providers. The City needs to explore realistic creative solutions to help those most vulnerable during this crisis such as further funding for rental assistance to make all parties financially whole. It is not beneficial or right to force one segment of the population to shoulder the entire financial burden of this crisis. For these reasons, I urge you to VOTE NO against a rent suspension.

Respectfully,

John Kolstad President Coyote Creek Homeowners Association From: Sandy Adams

Sent: Saturday, April 18, 2020 10:36 AM

To: City Clerk <city.clerk@sanjoseca.gov>
Cc: Sandy Adams; John Adams; Fran Turano

Subject: Oppose extending moratorium



## [External Email]

Between 2008 to 2010 millions of Americans lost their homes to foreclosure when they stopped making their mortgage payments. Many of them stayed for free until the end of the process.

As a property manager, my fear is that some tenants will stop paying their rent through the end of the year (knowing the landlord can't take any action) and then simply walk away. Landlords could have several months of financial strain and then no way to collect it in the end. The longer the moratorium is in place for evictions the less likely a tenant will ever catch up. Will there be any government funds available to provide relief to all those small owners who lost several thousands of dollars?

\_\_

Sandy Adams President Rental Housing Network From: bassorjp

**Sent:** Saturday, April 18, 2020 9:51 AM **To:** City Clerk <city.clerk@sanjoseca.gov>

**Subject:** Rent till end year, no pay

Should be delayed 3 months only. Bob Basso , realtor

From: Karen Johnson

**Sent:** Friday, April 17, 2020 8:39 PM **To:** City Clerk <city.clerk@sanjoseca.gov>

Subject: Rent Freeze - Opposed



## [External Email]

am writing in opposition to the proposed rent freeze ordinance under consideration by City Council on Apr. 21, 2020.

Please take under consideration landlords are already required to keep tenants despite their ability to pay. It is only fair that after reducing our income from rents, you should be sure to also ensure there will also be no increases in our bills either for electricity, water, trash, property taxes, etc. The free building permit fees in exchange for giving up rent increases this year is laughable, considering we won't be able to afford to do construction except in the most dire circumstances.

Not every landlord is a huge conglomerate. The income from this property doesn't even come close to supporting our aged mother's needs already, and now we have to decide how to continue her round the clock care with reduced rental income, while everyone else raises their prices.

Very truly yours,

Karen Johnson

From: Gabriel Valenzuela

Sent: Monday, April 20, 2020 12:35 PM

To: District5

Subject: Protect San Jose families: Pause rent during COVID-19

[External Email]

Dear Mayor Sam Liccardo and Councilmember Magdalena Carrasco,

As a resident of District 5, I am writing to ask for your support for Councilmembers Magdalena Carrasco and Raul Peralez's proposal for a rent pause, which will be heard at the April 7th City Council meeting.

I work in Ruffo Tile in San Jose. From March 17 2020, I lost all my hours due to Covid19. I couldn't pay my rent for April. I don't know when I can return to my job, and I'm not sure how I'll make rent this month.

Tenants need the City Council to hit "pause" on rent – existing measures are not enough.

Saving lives by preventing increased exposure to COVID-19 should be City Council's top priority during this emergency. Even with the moratorium on evictions, families out of work, especially among undocumented immigrant workers who cannot access the safety net, know that once the moratorium is lifted they will have no way to ever repay rent. This threat will force more workers who should be sheltering in place with their families to leave their homes and seek work in violation of the shelter order. Tenants who are relying on the eviction moratorium will fall into huge debt and face displacement once the COVID-19 crisis is over unless City Council also suspends their obligation to pay rent.

Three months of back rent for the average 2-bedroom apartment in San José would be \$8,250 — the equivalent of 14 weeks of work for someone making minimum wage. This means that without a rent pause, most landlords will still be faced with the question of whether to forgive rents or to file evictions in mass in the months after the rent moratorium is lifted.

San Joseans and this Council came together to raise \$11 million for tenants to help people pay rent. Those dollars were completely used in just three days and now the fund has a waiting list filled with thousands of families. Charity alone won't solve this issue. We need a rent pause.

Sincerely,

Gabriel Valenzuela

# Item 8.1: Support Rent Freeze as Emergency Ordinance

**Daniel Seniff** 

Mon 4/20/2020 3:49 PM

## To: Mayor and Council:

The rent freeze issue is a first step in the relief needed by the people of San Jose! You have refused to take up an issue that would put a hold on the collection of rent from Land holders and wealthy corporations for 90 days. Probably because most, if not all of you, are Landlords. Interesting how those who have so much and are still being paid a salary by the very people that support the city are so <u>blind</u>. Take a minute to consider some one other those at the top who constantly abuse the very people who feed their fat bellies. Land

From: melissa monge

Sent: Monday, April 20, 2020 3:54 PM

To: City Clerk

Subject: Defer the Rent Freeze

[External Email]

Dear City Clerk,

As a rental housing provider in the City of San Jose, I have been deeply impacted by not only the COVID-19 pandemic but also the recent steps the Council has taken with the eviction moratorium and the proposed rent freeze. The rent freeze proposal is particularly concerning as it is scheduled to be heard tomorrow and as of 2:30pm today we have yet to review a draft of the ordinance.

I am concerned that as the City Council you are being asked to adopt a very important ordinance and there will have been less than 24 hours for you and key stakeholders such as myself to review it. Given the impact this ordinance will have on me, my residents, and existing rental contracts, it is critical that impacted stakeholders have an opportunity to provide meaningful input on it and have time to properly comply with the key provisions.

I am asking that the Council defer this item to the April 28th meeting to allow time for the Council and those impacted time to review the ordinance and provide feedback.

Thank you

Sincerely,

melissa monge

Nancy Whelan
[External Email]
Dear City Clerk,
As a rental housing provider in the City of San Jose, I have been deeply impacted by not only the COVID-19 pandemic but also the recent steps the Council has taken with the eviction moratorium and the proposed rent freeze. The rent

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Nancy Whelan

Eloy Pando
[External Email]
Dear City Clerk,
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Thank you
Sincerely,
Eloy Pando
This message is from outside the City email system. Do not open links or attachments from untrusted sources.

JR McKee
[External Email]
Dear City Clerk,
As a rental housing provider in the City of San Jose, I have been deeply impacted by not only the COVID-19 pandemic but also the recent steps the Council has taken with the eviction moratorium and the proposed rent freeze. The rent freeze proposal is particularly concerning as it is scheduled to be heard tomorrow and as of 2:30pm today we have yet to review a draft of the ordinance.
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Sincerely,
JR McKee

Ton Dang
[External Email]
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Thank you
Sincerely,
Ton Dang

Raymond Ong
[External Email]
Dear City Clerk,
As a rental housing provider in the City of San Jose, I have been deeply impacted by not only the COVID-19 pandemic but also the recent steps the Council has taken with the eviction moratorium and the proposed rent freeze. The rent freeze proposal is particularly concerning as it is scheduled to be heard tomorrow and as of 2:30pm today we have yet to review a draft of the ordinance.
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Sincerely,

Raymond Ong

Judy Jennings
[External Email]
Dear City Clerk,
As a rental housing provider in the City of San Jose, I have been deeply impacted by not only the COVID-19 pandemic but also the recent steps the Council has taken with the eviction moratorium and the proposed rent freeze. The rent freeze proposal is particularly concerning as it is scheduled to be heard tomorrow and as of 2:30pm today we have yet to review a draft of the ordinance.
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I am asking that the Council defer this item to the April 28th meeting to allow time for the Council and those impacted time to review the ordinance and provide feedback.
Thank you
Sincerely,
Judy Jennings

# Alert: City of San Jose Wages War Against Owners of Rental Property

Notwithstanding the long history of gradually shaving the rights of property owners under the Apartment Rent Ordinance, Tenants Protection Ordinance and the Ellis Act, the latest series was on April 7, 2020 in a failed attempt to force owners of ARO controlled property to give free rent to those effected by the Virus; On April 14 the Council decided to extend the moratorium through May and couple a no-rent raise of 5% during the pandemic until 2021. This Council seems to rely on an abundance of anecdotal proof of tenant suffering. I don't dispute that tenants could lose their job just as an owner; a tenant could catch and even die from the virus the same as an owner. I understand that low-income workers generally fall in the category of higher exposure i.e. fast foods, grocery stores, heavy labor, hair salons or house cleaning, while an owner might be working from home. Yet, in the five years in fighting the ARO, I've seen a large grouping of Immigrant Americans, who have struggled at these jobs, managed to gain ownership of older small rental properties, but who have very little extra financial cushion to get through hard times.

I have been managing residential properties for many years and I can tell you with some certainty that in the minds of many owners, there is little hope of recouping the lost rents of the pandemic. A \$4,000 extra payment with a monthly payment of 3% is \$120 over 33 months at no interest. I do not disparage the character of these tenants, who must look out for their best interests, but they will at some time just leave regardless of any agreement in writing. Let's consider owners of a tri plex:

- 1. Loses two month's rent \$12,000
- 2. Maintenance expenses, insurance, utilities, landscape, repairs approximately 40% of income \$72,000 minus \$28,800 is \$43,200 per annum. That leaves \$3,600 per month. Property Tax \$9,000 special assessments \$1,800, Business License \$210. \$3,600 minus \$917 leaves the owner \$2,683 a month.
- 3. Also not included is the mortgage payment. \$2,200 per month leaves \$483.
- 4. You can argue that the 40% is preposterous, but when you replace a roof at \$18,000, or get a City Sidewalk replacement order for \$3,000 in one year you become a believer.
- 5. There are better and worse situations in the rental field, but surly \$12,000 loss over two months overwhelms \$966 in the owner's pocket!
- 6. Where does that money come from? Savings, borrowing, the Tenant?
- 7. One way would be to increase the rent 5% on the 12-month anniversary.
- 8. Why is the City determined to destroy financially a segment of income property owners?
- 9. If you consider the CPI at 3% then the 5% rent raise will be only 2%. Will that be enough to keep the property in good condition?
- 10. Why extend the no-raise period and take even that from owners?
- 11.I do not think that the Council should pat itself on the shoulder for such Robin Hood policies. San Jose is earning a reputation of rogue feel-good legislation aimed at the very people who house citizens. It is times like these that conspiracy theories rise. Is it possible that ruining owners of smaller properties would allow you to buy them at reduced prices, or let non-profit land companies, or clearing neighborhoods of smaller properties and then build large multi-story buildings?

12. You have entered a very slippery slope by tying your program to the epidemic. What if things haven't settled by June? July? August. You will in fact have succeeded in passing the bill to property owners to advance your own political standing.

I would plead with you to match the no-raise proviso only during the moratorium and not increase agony over the rest of the year.

David Eisbach 4/17/2020

From: Jeffrey Vail

Sent: Monday, April 20, 2020 4:37 PM

To: City Clerk

Subject: Defer the Rent Freeze

[External Email]

Dear City Clerk,

As a rental housing provider in the City of San Jose, I have been deeply impacted by not only the COVID-19 pandemic but also the recent steps the Council has taken with the eviction moratorium and the proposed rent freeze. The rent freeze proposal is particularly concerning as it is scheduled to be heard tomorrow and as of 2:30pm today we have yet to review a draft of the ordinance.

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I am asking that the Council defer this item to the April 28th meeting to allow time for the Council and those impacted time to review the ordinance and provide feedback.

Thank you

Sincerely,

Jeffrey Vail

From: David Eisbach

**Sent:** Monday, April 20, 2020 3:03 PM **To:** City Clerk <city.clerk@sanjoseca.gov> **Subject:** NAA Income Property Report

Please include this in the package for Council for meeting April 21,2020. thank you
David Eisbach



# **\$1 DOLLAR OF RENT**

There exists a misconception that rental housing owners enjoy large margins and can continue operating in the absence of rent payments.

With so much discussion around rent payments during COVID-19. the rental housing industry would like to explain the breakdown of \$1 dollar of rent. Only 9 cents of every \$1 are returned to owners, including the many apartment owners who are themselves small businesses and rely on this revenue to make ends meet, and investors, which include public pensions and 401ks, on which many Americans rely—whether or not they reside in rental housing 10 cents of every \$1 is spent on capital expenditures, including roof and HVAC replacement and other important repairs that help Approximately 39 cents of every \$1 ensure quality housing for America's pays for the mortgage on the property. 40 million rental housing residents. Roughly two-thirds of the apartment industry has private lenders and are ineligible for federal mortgage forbearance via the CARES Act. This is a critical expense, as 27 cents of every \$1 covers payroll expenses, including mortgage foreclosures put all residents paying employees who operate and maintain the property, at risk of losing their housing. ongoing maintenance, utilities, insurance and the like.

**14 cents of every \$1** goes to property taxes, which in turn supports the community through financing for schools, teachers, emergency services and other important local needs.

Between mortgage payments and investor returns, which help support many Americans' retirement plans, and dollars put back into the apartment community to ensure quality living for residents, a rent payment is much more important than one might otherwise realize.

Source: National Apartment Association 2019 Survey of Operating Income & Expenses in Rental Apartment Communities; U.S. Census Bureau 2015 Rental Housing Finance Survey; Real Capital Analytics; Redstone Residential