MAR 2024



The Advocate for Berkeley's Rental Housing Providers

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This Year, We Must Change the Narrative

Dan Lieberman, President, BPOA

For many years, rental housing providers have often been portrayed in a less than favorable light in the local media. This narrative overlooks the essential role we play in our communities, providing safe, reliable, and affordable housing options. Rental housing providers are integral to the fabric of our neighborhoods, contributing to the local economy, and ensuring a diversity of housing options that cater to a wide range of needs and income levels.

Throughout the Bay Area, rental housing providers have, unfortunately, through inaction, allowed this one-sided narrative to grow and perpetuate. Very few of our elected officials understand running a business, let alone, understand running the business of managing and upgrading rental housing. Most of them have been renters (as have most of us at one time) and it has been easy for them to understand the side presented by various tenant groups. Unwittingly, we have ceded our power to tenant activists, who have worked tirelessly to spread their view to those who would listen.

There's a pressing need to shift this conversation and highlight the positive impact of rental housing providers. We are the ones who invest in our neighborhoods, work to maintain safe and welcoming environments, and are often on the front lines of community development and support. It's crucial that we bridge the understanding gap between us and our elected officials. Through open dialogue, shared experiences, and education and advocacy efforts, we can foster a more balanced view that recognizes the essential services that rental housing providers offer.

Berkeley is well known for its challenging regulatory environment and its aggressive stance on tenant protections and rent control. To some, rent control is almost a religion, and along with eviction protections, this city sets a high bar for landlord compliance. Recent years have seen further tightening of regulations, such as the repeated extension of the eviction moratorium, and this year will be no different with no less than 22 proposed changes (increased restrictions) to the rent ordinance likely to appear on the ballot.

Your Involvement is Critical

This election year presents us with a golden opportunity to come together, not just as voters, but as influencers and a powerful force for positive change in our community and beyond. Our elected officials need

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COMING ATTRACTIONS

Making the Most of Resident Application & Screening Tools Thursday, February 29, 3:00 pm

Spend an Hour with a CPA Wednesday, March 20, 3:00 pm

What to Expect During a Proactive Housing Inspection Thursday, March 28, 3:00 pm

Mid-Morning Nosh, Network & Education Saturday, May 18, 10:00 am

See pages 13 & 14 for details & more events!

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BPOA Monthly is a regular publication of the Berkeley Property Owners Association, a trade association dedicated to assisting rental housing providers with upkeep and management of residential rental property and coping with Berkeley's rent law.

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About the Newsletter

Our articles are contributed on a volunteer basis by members and other interested parties, although we do accept paid advertising. We are always happy to include material submitted by members and welcome suggestions on how to improve our publication.

All articles in this publication represent the author's viewpoint and not necessarily the position of our organization.

Direct comments and material to our Bancroft Way office or to bpoa@bpoa.org

Editorial

The Road to Hell ...

Albert Sukoff, Editor

Ernest Benn was an English publisher about a century ago and he said this:

Politics is the art of looking for trouble, finding it whether it exists or not, diagnosing it incorrectly, and applying the wrong remedy.

Katie Porter is a southern California congresswoman who is one of three progressive Democrats vying for Dianne Feinstein's Senate seat. Her Wikipedia entry summarizes her positions on several issues. On Housing, it says:

Porter called housing her top priority and blamed the housing crisis on "Wall Street". She argued that federal government investment in housing is needed in response to California's housing crisis: "We need to boost on the supply side, not just by hoping that Wall Street will decide to do it or that builders will decide that somehow, magically, it's more profitable to build duplexes than it is to build mansions, but by directing government financing that backs the building development we most need."

Wall Street is usually a metonym for the finance and banking industry, or, applied more broadly, all of corporate America. From her campaign ads, it appears she means the banks. How do the banks create a housing shortage in some places and not others? What are the policies and practices of Wall Street bankers which cause a housing crisis in California and not in Texas? How does that work? The banks do not set housing policies in California or in Texas. They don't even set the interest rates.

She goes on to say that "We need to boost the supply side ... by directing government financing that backs the development we most need." She presents, but does not make the case for government manipulation of the housing market, presumably in a direction she advocates. In fact, it is not the builders who have created the California housing crisis, it is the government. Mainly, state-sanctioned local government in California created the housing shortage, not Wall Street

In every meaningful way, government has controlled, subverted, undermined and manipulated the housing market to limit supply in California and then the politicians responsible for this debacle blame the industry that they have effectively castrated.

Problem number one: NIMBYs of all political stripes insist on low density and economic segregation. Restrictive land-use policies seriously limit supply which means whatever housing is available is expensive and is allocated to users with greater resources, i.e. richer rather than poorer.

With respect to housing, some wrongly applied remedies:

- Progressives like Katie Porter create and administer government oversight
 on the housing market that severely limits production using land-use and
 other controls to determine what gets built, where and in what quantity.
- Politicians like Katie Porter impose processing costs and impact fees which
 are both extensive and expensive. Impact fees can exceed \$30,000/unit. A
 one-per-cent-for-art program can add \$4,000/unit.
- Politicians like Katie Porter oversee building departments that can't issue permits for multifamily housing in less than a year.

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* The Coalition Corner *

Krista Gulbransen, BRHC Executive Director

The Berkeley Rental Housing Coalition (BRHC) is the political and legal voice of Berkeley's rental housing providers.

Tenant Activists File Ballot Initiative in Berkeley

Tenant activists have declared Berkeley's Rent Stabilization Ordinance the "weakest" in the state and have filed to place an initiative on the ballot to change that. A Citizens Initiative is an opportunity for the people of the city, to declare that they want a change in law. In order to placed on the ballot, the proponents of the initiative must gather 2,895 valid signatures from Berkeley registered voters. The proponents of this ballot measure are none other than Rent Board Chair Leah Simon-Weisberg (tenant attorney) and Vice Chair Soli Alpert.

They have made approximately 16 changes to the Rent Stabilization Ordinance that they want voters to agree to. A good handful of these modifications are a direct lift from the city of Oakland's Rent Stabilization Ordinance which saw massive changes in 2023.

The proposed Berkeley ordinance changes are:

- Lowering the cap on the AGA from 7% to 3%. Currently, our AGA is 65% of CPI with a max cap of 7%. Oakland City Council swept through a similar cap in 2023.
- Tenant Right to Organize as a Housing Service. This would allow tenants within a building to organize into a union of sorts, so long as at least 50% agree to do so. It would make owners negotiate with the tenant union and includes a requirement to attend a meeting with the tenants at least once a quarter. If any owner failed to follow the rules of the union, the tenants could petition the Rent Board to reduce the rent as it would be seen as a "loss of housing service."
- Eradication of Golden Duplexes. This is a longstanding exemption from the Rent Stabilization Ordinance for certain owner-occupied duplexes. It has been the target of tenant activists for a very long time and is the primary reason they have put forth this initiative.
- Eviction notices and actions limited to rental debt over one month's Fair Market Value. This would prevent the ability to evict for nonpayment of rent until the nonpayment amount was equal to HUD's fair market value for a similar unit. The problem with this amendment is that some tenants have very low rents (due to rent control and an extended tenancy) and so

making it to that one month minimum could be many months' worth of unpaid rent.

- Prohibition of eviction for failure to renew lease.

 Currently, if a tenant refused to sign a "substantially similar" lease, an owner could evict if the tenant refused to leave at the end of the term. While this rarely (if ever) results in an actual eviction, many owners do use this good cause reason to encourage tenants to respond to whether they intend to stay in tenancy or not. This is especially true of the student renter population who are often transitory but prefer to tell the owner at the last minute.
- Breach of lease good cause must be for "substantial injury". This sets the bar much higher when it comes to evicting a tenant for breach of lease. There would be a requirement that the "injury" caused must be substantial to the owner and/or other residents in the building and that the behavior of the tenant must be "unreasonable."
- Rent Board would determine habitability in a unit.
 This would give authority to the Rent Board hearing examiner to decide whether the unit is "habitable" or not, and if deemed "uninhabitable" reduce the rent accordingly.
- Fine for failure to submit Vacancy Registration Form.
 This would impose a fine on owners that fail to turn in the form providing information on a new tenancy.
- Prohibition of rent collection until Vacancy Registration Form is submitted. This would prohibit you from demanding or collecting rent until you have submitted the form to the Rent Board.
- Regulation of replacement units due to demolition.
 While not pertinent to most of our members, this
 does create yet another reason for developers to avoid
 demolishing old buildings in order to create new living spaces in a time where we still do not have enough
 housing.

Other less impactful, but equally egregious changes are:

 Modification of "new construction" definition to the first ten years after receiving a Certificate of Occupancy. This would only go into effect if Costa Hawkins continued on page 11

Laura Waxmann, San Francisco Chronicle, February 8, 2024

The developer of a new rental apartment building in downtown Oakland has walked away from the project — a move that underscores the distress building in the city's multifamily market.

On its website, developer Mill Creek Residential indicates that it "sold" its less than two-year-old, 173-unit residential building at 1940 Webster St., which until recently was known as Modera Lake Merritt, in January.

Public documents filed this month by the developer's former investor on the project — which is now its owner — give insight into some of the struggles that Mill Creek and other similarly situated housing developers in the city are facing in the wake of the pandemic. Thousands of units were delivered in downtown Oakland in the years leading up to COVID-19, but the city's multifamily market has since been contending with softening tenant demand and dipping rents. Meanwhile, an estimated \$2.6 trillion of real estate loans are coming due across the country through 2028, and multifamily loans account for 38% of that value.

UDR, a publicly traded real estate investment trust, confirmed in its fourth quarter 2023 earnings report, released on Wednesday, that it "took ownership" of Modera last month. The building, which offers studio, one-bedroom and two-bedroom apartments starting at \$1,779, \$2,175 and \$2,880, respectively, has been rebranded as Residences at Lake Merritt.

"I think everybody is pretty familiar with what happened in Northern California since pre-COVID, with rents still being down and then in downtown Oakland, perhaps one of the worst submarkets in that respect, with rents still down 30% plus," said UDR President Joe Fisher during an earnings call Wednesday. "And so we did take the keys back on that asset, as the developer didn't want to continue to support the cash flow shortfalls."

In early 2019, UDR formed a joint venture partnership with Mill Creek for the development of 1940 Webster, providing roughly \$45 million in equity. Mill Creek, which did not immediately respond to a message seeking comment on Monday, built the project and took out two construction loans totaling \$67 million and \$40 million.

How the building is doing with occupancy since it opened is not entirely clear — in a presentation to investors this month, UDR indicated that "occupancy is currently below 90%," and that Mill Creek had been offering "two to three months" of rental concessions in an effort to lease it up,

which is currently the "norm" in Oakland, Fisher said during Wednesday's earnings call.

Late last year, Mill Creek informed UDR that it "would not fund its share of a capital call" — or the financing that it had committed to the project — and agreed to transfer its interest in the joint venture to UDR, the company said in its filings.

Mill Creek's exit from the project caused UDR to incur a \$24.3 million loss. Fisher said during the earnings call that the property was appraised at \$67 million, or \$387,000 per unit.

He said the project was impacted by three factors that render it "distressed": upfront costs and delays, softening rents and a "historically high" amount of new housing in the market, as well as high interest rates and lack of available capital.

"Those are the three main areas we are trying to underwrite when we go into these" deals, said Fisher. "Clearly, any one of those factors is not going to be enough to drive distress on any of these deals. But when you get a couple of them that stack up, you do run into a little bit more distress, which is really what happened with Modera Lake Merritt."

During the call, an analyst asked why UDR did not "just try to sell" the project.

Fisher said that the plan for now is to "burn off the concessions" and try to lease up the property in order to get a "better value" for it in the future.

"Northern California as a whole and Oakland, specifically, from a transaction market perspective, are pretty challenged, given some of the risks out there," Fisher said. "So I'm not sure you optimize price and value by simply trying to liquidate. I think it's better to keep it in our operations team's hands for a couple of years and then evaluate down the road when the market is a little bit better."

Using data provided by Apartment List, the Chronicle has calculated that the average rental rate for a one-bedroom apartment in Oakland is down 25% from the pre-pandemic peak. In recent years, the city's economy has been heavily impacted by rising office vacancy in light of a pronounced shift to remote work, leaving its downtown hollowed out. Meanwhile, reports of surging violent and property crime have cast a shadow over the East Bay city and this week caused Gov. Gavin Newsom to deploy more than 100 California Highway Patrol officers to the area.

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Supreme Court Turns Down Property Rights Challenge to Rent Control in New York

David G. Savage, Los Angeles Times, February 20, 2024

The Supreme Court on Tuesday turned down a major property-rights challenge to rent control laws in New York City and elsewhere that give tenants a right to stay for many years in an apartment with a below-market cost.

A group of New York landlords had sued, contending the combination of rent regulation and long-term occupancy violated the Constitution's ban on the taking of private property for public use.

The justices had considered the appeal since late September. Only Justice Clarence Thomas issued a partial dissent.

Thomas said the "constitutionality of regimes like New York City's is an important and pressing question," but the landlords failed to show evidence they had been prevented "from evicting actual tenants for particular reasons."

A ruling in the case could have directly affected one million apartments in New York City, and it may have had a significant impact in California as well.

The California Apartment Assn. had urged the justices to hear the New York case and said "many of its members are located in the local jurisdictions subject to rent control laws, including San Francisco, Los Angeles, San Jose, Oakland, Sacramento, Santa Monica, Berkeley, Pasadena, Alameda and Beverly Hills."

Rent control has been upheld on the grounds it is a regulation of property, not a taking of it by the government. But the court's conservative majority has shown a recent interest in bolstering property rights.

Two years ago, the Supreme Court struck down a California law that authorized union organizers to go on to farms and agriculture facilities to recruit new members for the farm workers union.

In a 6-3 ruling, Chief Justice John G. Roberts Jr. said the owners of private property have a "right to exclude" others. Citing that principle, the New York landlords said they should have a right to exclude renters after their lease has expired.

In New York City, several owners of small and mid-sized apartments sued and alleged the new rent control laws have gone so far that "their property is no longer their own. New York has expropriated it," they said.

They pointed to changes made in 2019 that make it harder to exclude tenants after their leases have expired, even if the owner wants to give the space to their own family members.

Where rent control was once defended as a temporary solution to severe housing shortage, they said the laws now "grant tenants a perpetual option to renew their leases, transforming term leases into government-mandated life estates."

The New York cases are 74 Pinehurst LLC vs. New York and 335-7 LLC vs. City of New York.

Elaboration on Justice Thomas' Rejection of New York Eviction Control Case

Richard Genirberg

In rejecting the petition for certiorari (see LA Times article herein), Justice Clarance Thomas explained that the New York cases were insufficiently particularized in its facts and legal reasoning. He welcomed future cases and provided guidance for sharpening the focus in such cases, which may invite the high federal court to accept a rent control case for adjudication. Petitioners would need to demonstrate that a property owner was impeded from evicting particular identifiable tenants.

Regarding the facial challenge, Thomas suggested that a future petitioner would need to show, with particularity, how NYC regulations coordinate to bar evictions completely. Petitioners' attack apparently was too generalized. A future case would need to show how Landlord A was precluded from evicting Tenant B under all circumstances under the offending law and that all property owners were similarly burdened.

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Berkeley Resignation Highlights Tensions

Sarah Ravani, San Francisco Chronicle, February 2, 2024

The abrupt resignation of a Berkeley council member this week, the second in a month, stunned city leaders who said the latest departure — which happened during the middle of a meeting — was "dramatic" and "unprecedented."

Council Member Kate Harrison, who was first elected in 2017 and then reelected in 2022, suddenly said during a council meeting Tuesday that she would resign from her position in February because the city's "processes are broken." Harrison, who had already announced plans last year to run for mayor, said she's still seeking that office. "It certainly is unprecedented," said Council Member Sophie Hahn, who is also running for mayor. "To my knowledge, no council member has ever resigned from the dais in this kind of very dramatic fashion."

Mayor Jesse Arreguín thanked Harrison for her service in a statement. He declined to comment further on her resignation.

Harrison's resignation comes less than a month after Rigel Robinson, the youngest person ever to be elected to the Berkeley City Council, stepped down and ended his own mayoral campaign. Robinson said he was burned out by harassment and the toxicity around him. Robinson supported a controversial plan to allow student housing at People's Park.

Both resignations come at a time when the political climate in Berkeley and nationwide has turned increasingly confrontational and nasty.

"People treat our local agencies like political games," said Berkeley Council Member Terry Taplin. "People have embraced this culture of toxicity and harassment. It's alarming, disturbing and disappointing."

"Can we please just do our jobs?" he added.

Over the past few months, protesters have also disrupted council meetings, demanding a city resolution supporting a cease-fire in Gaza.

"There's no denying that the way the council meetings used to proceed is no longer happening, and the deliberations have been interrupted at times," said Berkeley Council Member Rashi Kesarwani. "But that is part of what we have to be prepared for as public servants." Harrison said her resignation is not due to protesters or harassment.

"I am concerned about the ways that we don't really think through decisions," Harrison told the Chronicle on Wednesday. "City Hall is broken. I don't believe the mayor and the council people know how bad it is. They're out of touch." Harrison revealed her resignation while the council was deliberating a new policy to install more surveillance cameras to address crime. She raised questions about the effectiveness of the cameras in fighting crime.

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Another Member Quits 'Broken' City Council Jordan Parker, San Francisco Chronicle, February 1, 2014

Berkeley City Council Member Kate Harrison on Tuesday announced she plans to resign from her position next month, saying that the city's "processes are broken and I cannot in good conscience continue to serve on this body."

Her resignation takes effect on Feb. 15, according to a statement she shared with the Chronicle. According to the Daily Cal, UC Berkeley's student newspaper, Harrison's resignation came in the middle of Tuesday night's council meeting. She told the Chronicle she still plans to run for mayor.

Harrison's resignation comes just weeks after Rigel Robinson resigned from the council and ended his mayoral campaign, citing the toxicity of politics and harassment from political opponents.

"I could say what office holders' usually say — that I would like to spend more time with my family — but that is not the reason," Harrison said. "Nor am I being harassed in any way to make this decision." In her statement, Harrison said proposals aiming to protect solar production and "insure" funding for affordable housing were rejected, even though cities similar to Berkeley were adopting similar proposals.

She added that the city was monetizing the water-front and taking away popular events like the Kite Festival. She also said the city was not addressing concerns from residents about UC Berkeley's enrollment impacts on housing, and requests for public transit to access BART stations and commercial corridors.

Harrison concluded her statement by saying, "I know it will be considered quaint to highlight transparency, good government and engaging the community. I am not interested in process for process' sake. But our current approach does not reflect the skill or agility to develop the solutions we need to survive our climate, health and inequality crises while understanding that change is hard and must be implemented carefully."

Concord City Council Passes Rent Control Ordinance

Kris Sanchez & Pete Suratos, NBC, February 14, 2024

Concord city leaders overnight Wednesday voted in favor of an ordinance that caps annual rent increases, impacting tens of thousands of renters, as well as property owners in the city.

The council was split on the issue, as was the crowd at City Hall, which got so rowdy, some people were asked to leave the meeting.

The ordinance will cap annual rent increases at 3%, or 60% of the consumer price index, and the changes only apply to multi-family complexes built before Feb. 1, 1995. Both tenants and property owners rallied in front of City Hall before the council made a decision that could reshape the city. The council also voted on a "just cause" eviction ordinance which in some cases would require landlords to cover some moving expenses for "no fault" evictions.

"People who are involved who are renting out single-families homes or who are renters in single-family homes are just learning about this," said Vice Mayor Carolyn Obringer. During Tuesday's meeting, council members debated the merits of the ordinance with the vice mayor even proposing putting it on the ballot in November. That proposal didn't garner any support.

Derek Barnes with the East Bay Rental Housing Association said before the vote a cap on rent increases will have

a negative impact on property owners still recovering costs from the pandemic.

"For most of our housing providers who have been in an eviction moratorium with a lot of restrictions over the last three plus years, they've been faced with trying to recover from that period so a lot of restrictions, a lot of caps to how much they could rent for during that period are pretty significant," said Barnes.

The ordinance still needs to go to a second reading by the council, which will then determine when the changes go into effect.

Primary Election Voter's Guide

While BPOA does not endorse candidates, we do provide information to our members about candidates that are friendly to our industry.

If we missed an office, it's because we do not have sufficient information to assure they will be friendly to rental housing providers.

United States Senate: ${\bf Adam\ Schiff}$

State Senate: Sandre Swanson

County Supervisor, District 5: Chris Moore

Superior Court of Alameda County, Office 12: Mark Fickes

Alameda County Central Committee: Terry Taplin



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Tiffany Van Buren, BPOA Deputy Director

What You Need to Know About the New Security Deposit Law

Last year, the governor signed AB 12, an act to amend, repeal, and add a section to California Civil Code 1950.5, which governs security deposits statewide. BPOA members need to be aware of these changes, which go into effect on July 1, 2024.

- "Security," as used in CC 1950.5, means any payment, fee, deposit, or charge except for application fees
 — imposed at the beginning of tenancy as advanced payment of rent or to cure defaults, damages, or cleaning (for tenancies established on or after January 1, 2003) upon lease termination.
- The change is not retroactive; leases executed before July 1, 2024, are unaffected.
- No more differentiation between furnished and unfurnished units.
- 3x monthly rent deposits are a thing of the past.
- If you accept advance payment of rent, the lease term must be six months or longer, and the payment for no fewer than six months.

As of July 1, 2024, security deposits will be capped at one month's rent for most owners statewide. This deposit ceiling includes any deposit charged for pets or keys, and advance payment of rent.

I'm a visual learner, so let's run through a scenario. It's July 3, 2024, and you've leased an apartment for \$2400 with a move-in date of **July 17, 2024**. They have a dog and have agreed to pay a \$500 pet deposit. You've asked them to pay the first month's rent and a deposit, which includes prorated rent for month two and the pet deposit, at lease signing. The Summary of Key Information looks like this:

Can you spot the errors?

| Initial Monthly Rent | \$2400 | See Section 3.1 |
|-----------------------|--------------------------------|-----------------|
| Pro-Rated Rent Amount | \$1360 | See Section 3.1 |
| Total Deposits | \$4260 | |
| Security Deposit | \$2400 | See Section 4 |
| Other Deposit(s) | (refundable pet deposit) \$500 | |
| Total Due at Signing | \$6660 | |
| Late Fee | \$75 | See Section 3.6 |

It's crucial to know that pet deposits must be factored into your overall security deposit, which cannot surpass one month's rent. Furthermore, any advance payment of rent, including prorated rent, but specifically for periods less than six months, is considered part of the overall security deposit. I included the rent in the total due at

signing for this example, but whether you charge the first month's rent at lease signing or move-in is up to you.

If it's been your practice to collect the first month's rent, the prorated second month's rent, and the security deposit to secure a lease that begins mid-or-late in the month, BPOA recommends modifying your practice. Collect a full month's rent in month one and collect the prorated rent, based on the lease start date, in month two.

If we take the same leasing scenario and apply the recommended practices, your Summary of Key Information looks like this:

| Initial Monthly Rent | \$2400 | See Section 3.1 |
|-----------------------|---------------------|-----------------|
| Pro-Rated Rent Amount | (due 8/1/24) \$1360 | See Section 3.1 |
| Total Deposits: | \$2400 | |
| Security Deposit: | \$2400 | See Section 4 |
| Other Deposit(s): | | |
| Total Due at Signing: | \$4800 | |
| Late Fee: | \$75 | See Section 3.6 |

Did you know that pet deposits can only compensate the property owner for pet-related damages, while general security deposits can compensate owners for damages caused by tenants, their guests, or their pets? So, when the state limits the amount you can collect, you're best off collecting 100% of the allowable amount as a general security deposit.

Good News for Small Owners

There is, however, an allowance for small owners. Defined as owning a maximum of two properties with no more than four collective dwelling units offered for rent, the deposit is capped at two months' rent. Again, it does not matter whether the unit is furnished or not. However, the deposit is capped at one month's rent if your lessee is a service member.

Given the rise in regulations and the decrease in security deposits, it is crucial to screen potential tenants thoroughly. Relying solely on instincts or "good feelings" about individuals is not a viable approach. It is imperative to establish and consistently follow a screening policy. If you currently lack a screening policy and require assistance establishing one, visit the Rental Housing Forms section in the Content Library for BPOA's Rental Criteria and Screening Policy Guidance documents. Lowering risks by renting to the most qualified applicants will benefit you in the long run.

New Affordable Housing Complex to Open in Spring

Joshua Picazo, Daily Californian, February 2, 2024

A new affordable apartment complex in Berkeley called the Maudelle Miller Shirek community will be implementing a preference policy led by Healthy Black Families, or HBF, to provide housing for individuals and families in need.

The lottery will prioritize groups such as those currently at risk of losing their homes, those displaced due to BART construction, those displaced by evictions, those with children under 17 and families who meet certain income levels.

"These 87 affordable units are one piece of a multifaceted effort to expand affordable housing options in Berkeley," according to a city of Berkeley press release. "The City supported development of the Maudelle Miller Shirek Community with \$17 million in loans through the Housing Trust Fund using Measure O bond funds, general funds generated through Measure U1, and other local sources." (That's a \$200,000 subsidy per unit. ed.)

The preference policy was approved by Berkeley City Council last July and is anticipated to open in the spring.

The East Bay Community Law Center, in partnership with HBF, worked with Anna Cash, the community development project coordinator for Berkeley, to research and develop the specific preferences implemented in the policy.

"The Affordable Housing Preference Policy grew out of advocacy led by Healthy Black Families to implement a Right to Stay, Right to Own and Right to Return for African American families with roots in South Berkeley," said Michael Trujillo, state attorney for East Bay Community Law Center.

The complex, which sits on Adeline Street a few blocks away from the Ashby Street BART station, began construction in February 2022 and is said to be almost completed, according to Resources for Community Development, or RCD, Housing's website.

The 87 apartments will consist of 18 studios, 21 one-bedroom, 26 two-bedroom and 22 three-bedroom apartments.

"Our predecessors in the program played a lead role in developing and advocating for the Affordable Housing Preference Policy in Berkeley, and the Maudelle Shirek building will be the first project where the policy takes effect," said Rui Bing Zheng, director of development for East Bay Community Law, in an email.

Applications to be considered for the lottery are currently open, and the deadline to submit is Feb. 12 at 5 p.m. Deborah Hailu, program coordinator for HBF, saw the preference policy as a way to give priority to Black people,

but noted there is a lot of work to be done, particularly to ensure that Black families are able to have their needs met.

Trujillo noted that the new policy is important for "targeting new affordable homes to residents who have been most impacted by Berkeley's housing affordability crisis and history of systemic racism in housing."

"Matching new affordable homes to families that need it most is both a moral, imperative and critical tool for meeting Berkeley's ever-growing housing needs," he said.

Record 22.4m Spending Over 30% of Income on Rent

Jesse Bedayn and Michael Casey, AP & Report for America, San Francisco Chronicle, February 8, 2024 [Abridged]

The latest data from the Harvard Joint Center for Housing Studies, released in January, found that a record high 22.4 million renter households — or half of renters nationwide — were spending more than 30% of their income on rent in 2022. The number of affordable units — with rents under \$600 — also dropped to 7.2 million that year, 2.1 million fewer than a decade earlier.

Those factors contributed to a dramatic rise in eviction filings and a record number of people becoming homeless.

"It's one of the worst years we've ever seen," said Whitney Airgood-Obrycki, a senior research associate at the Harvard center, who added that the level of cost-burdened households in 2022 had not been seen since the Great Recession in 2008, when 10 million Americans lost their homes to foreclosure.

After failing to make a significant dent in the problem over the last decade, state and federal lawmakers across the U.S. are making housing a priority in 2024 and throwing the kitchen sink at the issue — including proposals to enact eviction protections, institute zoning reforms, cap annual rent increases and dedicate tens of billions of dollars toward building more housing.

The hardest hit have been renters who made less than \$30,000, and who, after paying rent and utilities, were left with just \$310 a month on average, Airgood-Obrycki said.

UC Berkeley Innovation Zone Could Become Tallest Building in City

Andrew Nelson, SF Yimby, February 15, 2024

UC Berkeley has published the Draft Environmental Impact Report for the Innovation Zone, a two-structure laboratory along the western edge of the university's campus. New details shared in the document reveal that the proposed North Building is the latest to become the tallest building in Berkeley, and construction could start as early as this summer. Details about the tower design and financing have not been published.

The Innovation Zone proposal is the latest project to enter the city's pipeline that would redefine the city's skyline. Though it is the shortest of the three other residential towers, it is most likely to open first. The property is university-owned, and the school does not have to seek city approval. The tallest building in Berkeley now is the 186-foot-tall Chase Building, completed in 1971. The three other pipeline developments expected to reshape the city's skyline include the 268-foot tall 2190 Shattuck Avenue, the 284-foot tall 2128 Oxford Street, and the 317-foot-tall 1974 Shattuck Avenue.

The draft EIR provides a site map and detailed description of the master plan but does not include design illustrations. Facilities will include wet and dry laboratories, research and support space, administrative offices, meeting rooms, and conference rooms. The combined master plan will have a permanent occupancy of 1,090 workers, likely from the private sector.

The eleven-story North Building will be the tallest, rising directly over University Avenue to a maximum height of roughly 189 to 194 feet. The laboratory will yield around 310,000 square feet, with 5,000 square feet of ground-level commercial space and a 350-car garage. The five-story South Building would rise 92 to 100 feet, creating 176,000 square feet of lab space.

The project would replace several existing buildings, including the seven-story University Hall. While University Hall is the largest of three structures that will be demolished, it is not landmarked. The International Style structure was built in 1959 and designed by Welton Becket & Associates. Seismic bracing was added across the facade in 1991 by Hansen, Murakami, Eshima Inc. A 2023 study by ARG determined it is ineligible for listing.

The two smaller structures along University Avenue, the 1911-built Ernest A. Heron Building and the 1915-built Martha E. Sell Building, were listed for architectural merit and for their contribution to the Shattuck Avenue Downtown Historic District.

According to the EIR, construction is expected to start as early as this summer and last up to three and a half years. Demolition and site work is expected to last around ten months. Vertical construction lasting between 30 and 36 months. While details about the financing have not been shared, Hannah Kanik for the San Francisco Business Times reported that "a source familiar with the project said it's likely to be a public-private partnership." The facilities could become a new home to UC Berkeley's Innovative Genomics Institute.

The project is the latest to expand the college's facilities. Anchor House, located across from the Innovation Zone, is a new 14-story dormitory expected to open this Fall. The school has also cracked down to start construction on People's Park, leveling the community park with plans to build over a thousand dorm rooms and housing for currently homeless residents. Pre-development has started for a new 1,400-bed dormitory at 2200 Bancroft Way. The school is also working on the Bechtel Engineering Center and the Gateway Building on campus.

By far, the biggest project spearheaded by the school is the future Berkeley Space Center, a \$2 billion research center jointly led by UC Berkeley and NASA in the Ames Research Center in Mountain View. The campus will add housing and retail around new laboratory and office spaces.

The 1.86-acre project is bound by University Avenue, Oxford Street, and Addison Street. The campus is located two blocks from the Downtown Berkeley BART Station.

Barbara Lee Suggests \$50 an Hour

Taegan Goddard, Political Wire, February 13, 2024

In a U.S. Senate debate, Rep. Barbara Lee (D-CA) said she would consider a \$50 per hour minimum wage in the Bay Area, which she represents, the Los Angeles Daily News reports.

She backed up the need for such a drastic jump by pointing to a study that found that a \$127,000 annual income is "barely enough" for a family of four to survive.

Her Democratic opponents, Reps. Adam Schiff (D-CA) and Katie Porter (D-CA), have called for an increase in the minimum wage to \$20 to \$25 an hour.

[Over and above the elimination of entry-level jobs and inflationary impacts, I have argued that the minimum wage causes unemployment. In an article, I posed the question: If there is no correlation, why not \$50 an hour? I guess Representative Lee missed my article. ed.]

CalRHA Legislative Update March 2024

California Rental Housing Association

The Last Day to Introduce Legislation at the State Capitol Was February 16. There Will Be Many More Bills Coming Into Print in the Coming Days, However There Are Some Rental Housing Bills That Have Already Emerged. This Year, Calrha is Working with Assemblymember Wendy Carillo (D-Los Angeles) as a Sponsor to a Bill That Would Provide That Housing and Community Development Department Publish the Correct Allowable Ab 1482 Rent Increases Every August. This Will Provide Clarity and Reliability for Rental Property Providers. We Have Also Been Advocating What is Called a "Shallow Rent Subsidy" Which Provides Rental Assistance for Those Who May Be at Risk of Losing Housing. the Bill Has Been Introduced as Ab 1813 (Alanis, R-Modesto) and Ab 2498 (Zbur, D-Santa Monica). it Will Continue to Be a Priority for Calrha to Advocate for Not Just Rental Property Providers, but for Additional Resources for Tenants Who Need it. Bills of Interest to Date, Include:

- Ab 2059 (Flora, R-Ripon) Tenancy: Obligations of Landlords: Repairs — This Bill Would Prohibit a Landlord from Being Liable for Dilapidations Rendering the Premises Untenantable, Unless the Landlord Receives Written or Oral Notice of the Dilapidations and the Landlord is Given a Reasonable Time to Repair the Dilapidations.
- AB 2114 (Irwin, D-Thousand Oaks) Exterior
 Elevated Elements: Inspection This bill would also allow licensed civil engineers to perform balcony inspections.

- AB 2187 (Bryan, D-Culver City) Office of Tenants'
 Rights and Protections Placeholder bill stating the intent of the Legislature to enact subsequent legislation to
 establish the Office of Tenants' Rights and Protections.
- AB 2493 (Pellerin, D-Santa Cruz) Tenancy: Application Screening Fee: Waiting List Would prohibit a landlord or their agent from charging an applicant an application screening fee to be entered onto a waiting list when they know or should have known that no rental unit is available at that time or will be available within a reasonable period of time.
- AB 2498 (Zbur, D-Santa Monica) Housing: the California Housing Security Act Would, upon appropriation of the Legislature, establish the California Housing Security Program to provide a housing subsidy to eligible persons, as specified, to reduce housing insecurity and help Californians meet their basic housing needs. To create the program, the bill would require the Department of Housing and Community Development to establish a 2-year pilot program in up to 4 counties, as specified. The bill would require the department to issue guidelines to establish the program that include, among other things, the amount of the subsidy that shall be the amount necessary to cover the portion of a person's rent to prevent homelessness but shall not exceed \$2,000 per month.

from page 3 Corner

was eradicated by the legislature or as a result of the November statewide ballot measure.

- Elimination of Section 8/subsidized housing as being exempt from the Rent Stabilization Ordinance.
- Rental housing providers must display and give a Notice of Rights of tenants in Berkeley on their property (only required for a certain size building).
- Rental housing providers must provide a notice of claimed exemptions from the ordinance, such as single-family homes which are exempt from the local rent control law.
- Change the time period in which Eviction notice or Unlawful Detainer must be submitted to Rent Board to one day. It currently stands at 10 days.
- Elimination of ability to charge utilities outside of rent unless separately metered (aka RUBS elimination).

You might be asking yourself; how can I stop this and how can we prevent this from being passed by the voters of Berkeley? The first course of action is to spread the news to your fellow Berkeley voters to NOT sign the petition if a signature gatherer asks them to. While it won't guarantee it will stop the initiative from moving ahead, it will certainly make it harder for the tenant activists to complete their goal of 2,895 signatures. Stay tuned for more information coming soon!

Consider upgrading your membership to be a part of the Berkeley Rental Housing Coalition. Your membership assures you that you are a part of the political and legal fight to protect your interests. To learn more about upgrading your membership contact Krista Gulbransen, krista@bpoa.org.

One City Solves Affordable Housing

Ben Raderstorf, San Francisco Chronicle, February 15, 2024

Don't look now, but Sacramento is solving the affordable housing crisis.

No, I'm not talking about state Sen. Scott Wiener and the important progress happening at the state Capitol. I mean the city of Sacramento, where a deliberate effort to stoke a dense, infill housing boom is creating affordability before our eyes.

Rents in Sacramento are falling faster than any other large city in California even as it remains the most popular relocation destination in the country. The median rent is approximately half San Francisco's. Right now you can find an apartment that is affordable for lower-income people, at least according to the government definition of roughly \$1,000 to \$1,500 for a one-bedroom, at market rates (it's true, check Zillow). A prime location studio listed for \$1,400 last year is just over \$1,100 today.

True, \$1,100 a month is still unaffordable for many people. But it's progress. And unlike other cities, that decline has nothing to do with an exodus (again, the Sacramento region is the fastest-growing in California).

Instead, this affordability comes from a deliberate choice by city leaders to pursue a "more of everything" housing strategy. Yes, more subsidized, affordable housing. But also more higher-end housing with the amenities some renters are looking for — swimming pools and dog showers and so on.

To make this happen, the city also took a "more of everything" approach to reform, including upzoning in key corridors, more flexible standards, relatively low development fees, eliminating parking requirements and dozens of other incremental improvements that add up to big changes in how much it costs to build housing.

Above all, Sacramento changed its apartment building approval process from a political one — with approvals by elected officials, as in San Francisco — to what's called a "ministerial" process, with decisions made impartially by planning staff. If a proposed building complies with the code, it's approved automatically. This way, project decisions aren't political or swayed by the loudest voices; they're made fairly and in accordance with the city's housing goals. As a result, Sacramento is now building more housing per capita than any other region in California (to be clear, we're still way behind national leaders like Austin, Texas, but a lot of that is California-wide limitations like antisprawl efforts and building costs). This boom is ongoing even as lower rents make it less profitable for developers to build.

The key question: How does building higher-end apartments — more dog-shower buildings — contribute to more affordable housing? What's happening takes some nuance to understand: Newer buildings are especially attractive to young professionals who are moving up in their careers, people like nurses, teachers and state government workers. As those young professionals relocate to new buildings, they're moving out of their old apartments. And with less demand for older buildings, landlords have to compete for tenants by lowering rents, like that \$1,100 studio. (Researchers have spotted similar trends across the country.)

Of course, the fight is far from over. Sacramento still has three huge, interlocking challenges.

First, pushing market rents down only goes so far. Sacramento has shown that increasing supply can deliver affordable housing for lower-income renters (officially defined as 50%-80% of area median income), but I doubt it can ever provide sufficient housing for very low-income people (less than 50% of the median). The city desperately needs more funding to build subsidized housing targeted at those with the lowest income. Realistically, Sacramentans will have to consider tax increases — perhaps a parcel tax — that share this burden.

Second, even as rents are decreasing again, it's too late for the roughly 5,000 Sacramentans who were forced onto the streets. Studies find it is far more expensive to provide services and get someone back in housing (\$50,000 to \$100,000 a year) once they become homeless. In the short term, the priority needs to be keeping people safe and alive. It's going to be a long, expensive process to undo the damage of not building housing earlier. And again, someone has to pay for that.

Third, the Sacramento housing boom has been concentrated in the central city, not the wealthiest neighborhoods. Although Sacramento will begin to address this problem with its next, even more ambitious strategy. After a unanimous City Council vote, Sacramento will this year replace all single-family zoning with a much more flexible citywide code. This will allow smaller, more affordable units — townhomes, cottages, four-plexes and six-plexes, and so on — in every neighborhood. Sacramento is the first city in California (and one of the first in the country) to do so.

This is the crowning step in a uniquely ambitious strategy that is already working. But the Sacramento solution — make it easier to build all housing of all types in every

to understand that it is the local property owner that best serves the needs of the community.

In the next few years, the impact of all the new building around Berkeley, UC finally moving forward to create some needed student housing, the softening multifamily market in neighboring communities, and new state laws designed to encourage housing production will all help ease the pressure on rents. I've found that the worst proposals seem to always come just as the market is turning. Even if things are getting better, if these extreme proposals get passed, it will be too late. It is extremely rare that a law or regulation ever gets rolled back.

Berkeley's diverse and politically active population means that tenant relations take on a particular importance. The city's tenants are well informed about their rights and more likely to take action to protect those rights. This environment demands property owners prioritize clear communication, fairness, and responsiveness to tenant needs. Providers must balance firm management with a flexible, understanding approach to tenant issues. I have found most tenants to be reasonable when treated reasonably. Keeping out of the legal and regulatory environment is probably one of the best things a housing provider can do. But changing that environment is even better.

Our Journey Begins Today

Sometimes it feels like there's a world between us and those who make the laws. It's our mission to bridge that gap. Through initiatives that bring our stories to the forefront, like meet-and-greets with our city council and engaging in education and advocacy, we can ensure our concerns are not just noted but acted upon.

You may be busy with your business or your family, but the extra investment in time, energy, and effort in building relationships will save you many headaches in the future. It is hard to put a value on all that has been saved by 'bad laws that never came to be' due to effective action by BPOA. But BPOA can only do so much — and we need your help. It is time to reach out to your City Councilperson. It is time to get involved!

Let's commit to make this year, this election year, a milestone in our community's story. Let's be the thoughtful, committed citizens who can make positive change and push back on bad policies. It will be an uphill battle, but like the termination of the eviction moratorium, it can be done.

I invite you to step forward, be engaged, and get involved both with BPOA and with the City of Berkeley as a whole. It's time to change the narrative. We do have the power to help shape policy and the future of this city. I look forward to working with you in 2024.

Dan is BPOA's 2024 President. He is President of Milestone Properties, a boutique firm specializing in renovating and increasing the value of apartment properties in the Bay Area.

Join Us for Quarterly Social Mixers with Fellow Members

https://www.bpoa.org/events/

| DATE | TOPIC |
|--------------------------------|---|
| Thursday, February 29, 3:00 pm | Making the Most of Resident Application & Screening Tools |
| Wednesday, March 20, 3:00 pm | Spend an Hour with a CPA |
| Thursday, March 28, 3:00 pm | What to Expect During a Proactive Housing Inspection |
| Saturday, May 18, 10:00 am | Mid-Morning Nosh, Network & Education |

And...check out our Rental Housing Provider 101 series. Whether you're new to rental housing or just want to brush up on your skills, we'll teach you the basics of being a housing provider in Berkeley.

This series is available for playback in the members-only Content Library on our website.

Worst Application Ever. Ding! Ding! Ding!

Mark Tarses: Landlording with Mark

Many years ago, I was showing a house for rent when a woman came to look the place over. She walked through the house while I stayed in the kitchen and sat at the table. After she entered the first bedroom, I heard a little bell ring three times: 'ding, ding,' followed by a minute of silence. Then she walked into the other bedroom, and the same thing happened again, 'ding, ding,' followed by a minute of silence. She continued walking through the house, ringing the bell in every room. When she returned to the kitchen, I asked her why she was ringing a bell.

By that point, I was dying of curiosity. She said: "I'm checking out your house's vibrations." I told her that I didn't know what that meant. She said that before she could fill out an application form, she needed to know if the previous tenants had left 'negative energy' behind. She said that she had a bad feeling in one of the bedrooms

but that her tests were inconclusive, so my house needed a 'vibration analysis' by a 'clairvoyant minister' from the Berkeley Psychic Institute. She told me that this analysis would cost me \$300. When I told her that I would not pay for a 'vibration analysis', she got angry and said: "Oh, you're just like all the other landlords." I assumed that meant that she had seen other houses for rent, and that the landlords there also refused to pay for a 'vibration analysis.' She walked out in a huff, and I never saw her again.

People like this were common in Berkeley in the 1970s, but I never get prospective applicants like this anymore. I am not sure why that is. I think maybe it's because Berkeley used to be a cheap place to live in those days, but that was a long time ago, and people like this can't afford to live here anymore.

from page 4

Oakland Rental Market

It's a conundrum that's impacting cities across the country to varying degrees, including San Francisco, where the office vacancy spiked to nearly 36% last year, retail decline has shuttered downtown stores and several major apartment landlords have been forced to surrender entire portfolios of buildings in recent months.

Fisher, of UDR, said Wednesday, however, that in spite of

San Francisco's ongoing troubles, the city "feels relatively well" — at least compared with Oakland.

"Try not to get too excited about it, but we have seen demand pick up there," Fisher said of the San Francisco apartment market. "A lot of that has to do with the city being cleaned up more. You don't have as much supply."

COMING ATTRACTIONS

Making the Most of Resident Application & Screening Tools
Thursday, February 29, 3:00 pm

Spend an Hour with a CPA Wednesday, March 20, 3:00 pm

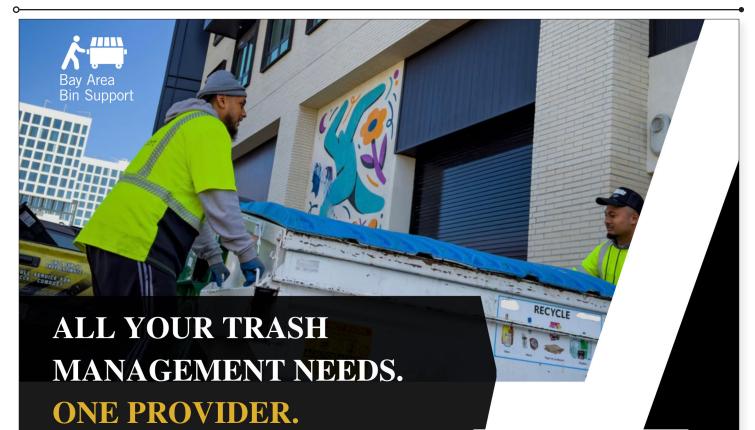
What to Expect During a Proactive Housing Inspection Thursday, March 28, 3:00 pm

> Mid-Morning Nosh, Network & Education at Workstation West Saturday, May 18, 10:00 am

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- Politicians like Katie Porter effectuate policies that have stymied reform in the production of housing in this state for decades.
- Politicians like Katie Porter decided that a cardboard box on the concrete sidewalk was better than a room in dilapidated flophouse.
- Politicians like Katie Porter denied development rights everywhere and then demanded mandatory use of expensive union labor as the price to pay to ease restrictions.

Then, applying the wrong remedy, they create inadequate social housing programs that that fail to meet the needs of the housing deprived.

These politicians, diagnosing it incorrectly, believe that have superior knowledge which allows them to best determine the housing needs of the populace. They are dead wrong. They are dead wrong because they and their minions of bureaucrats have an inadequate appreciation of what constitutes good housing and how to produce it. They are dead wrong consistently because they are allocating someone else's money and they suffer no negative consequences for their bad decisions.

The residential building industry, on the other hand, has real skin in the game. It meets housing needs or it goes broke. It does not have the option of going to political benefactors and saying well-that-didn't-work-give-us-more-money. The industry must produce a product which serves the intended purpose and attracts users willing to pay. The process requires discipline, innovation and flexibility. And it must pay for itself. There is a profit involved but — something the government-can do-it-better crowd will never understand — profit is way cheaper than bureaucracy.

QUOTE OF THE MONTH

"The seven blunders that human society commits and cause all the violence: wealth without work, pleasure without conscience, knowledge without character, commerce without morality, science without humanity, worship without sacrifice, and politics without principles."

— Mahatma Mohandas K. Gandhi

Last month I favorably reviewed Singapore and Vienna for their social housing programs. Although there are costs involved, the benefits are manifest. The effectiveness of housing programs in these cities is contingent on the government having virtual control of the housing market. These programs are models for the American Left, but the advocates for widespread government-supplied housing have never been successful in the United States. From urban renewal to ghettoized housing projects, the government has failed. From Fabian societies to hippie communes, private communal housing has never had a major impact on the housing supply.

There are social, political and economic factors which make social housing inadvisable in the United States. *The only solution to the so-called housing crisis in California is to build a lot more housing.* If government would just get out of the way, the building industry would jump at the opportunity. The Left will tell you that this would only produce very expensive housing. Not necessarily so. The only role that makes sense for government is to subsidize housing for those least able to fend for themselves in the market place. Loosen the rules and even SROs would emerge.

Government has botched the provision of public housing and stymied the private supply of housing. The end result is too little housing which costs too much. Government efforts to make things better have only made things worse. Time to try something else.

A New York Rent-Control Bank Panic

The Editorial Board, Wall Street Journal

NYCB last month reported \$552 million in credit losses, including a \$185 million charge-off mostly from two office and condo building loans during the fourth quarter. These losses were bigger than investors expected. But what worries investors more is the bank's \$37 billion multi-family housing portfolio, about half of which are comprised of New York rentregulated units.

The bank flagged that 14% of its \$18 billion rent-regulated loan book is at risk of default. Its eventual losses could be bigger as rent-regulated buildings have recently been selling at a 30% to 60% discount from their purchase price. The values of rent-regulated buildings have fallen by some \$75 billion, according to one estimate.

She declined to tell the Chronicle when she decided to step down, but said, "No one pushed me out of office or forced me to resign." In her public statement, she had raised concerns about numerous city policies, including design standards for buildings, affordable-housing funding, and the impact of UC Berkeley's growing enrollment on housing and city services.

Harrison told the Chronicle that her decision to step away from the City Council but continue her run for mayor sends the message that she's focused.

"These meetings are not productive or useful," Harrison said. "A very small part of the job is actually going to council meetings. Much more of the job should be focused on talking to people."

The Berkeley mayor also sits on the City Council. While Robinson received an outpouring of support from council colleagues and other political leaders in the Bay Area following his resignation, some current and former Berkeley council members criticized Harrison for hers. Taplin, who had a tense exchange with Harrison on the night she resigned, accused her of quitting because she disagreed with her council colleagues.

"This is not normal," Taplin said. "This is not how we govern cities. This is not how we pursue progressive platforms, and this is not how we create change. ... Democracy is compromise."

His concerns were echoed by Hahn, who said elected leaders should be prepared to "serve in good times and in more difficult times."

Lori Droste, who was a Berkeley council member until

2023 when she declined to run for reelection, said Harrison's resignation was "rash."

"As electeds, we have to understand that people will disagree with us on issues," Droste said.

The city is holding a special election to fill Robinson's seat April 16. It's unclear when a special election will be held to replace Harrison. Each special election costs \$50,000, according to the city.

from page 12 **Sacramento**

neighborhood in every way possible — is hardly rocket science. These are common sense policy changes that every city, including San Francisco, could pursue immediately.

Granted, local politics are more than a little different over in the Bay Area, and many voters (and elected officials) remain deeply skeptical of any new housing development, especially if it's not deed-restricted as affordable. My reply to skeptics would simply be an invitation: Come take the train up sometime. Spend an afternoon apartment hunting in Sacramento.

You can find a spacious home in a walkable, treelined neighborhood for a fraction of the cost of San Francisco. You can maybe even see the Beam from the window.

Ben Raderstorf is vice president of House Sacramento, an all-volunteer, grassroots group advocating (successfully) for an end to exclusionary zoning in Sacramento.



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