

SANTA MONICA RENT CONTROL BOARD
REGULAR MEETING MINUTES
July 23, 2009

1. CALL TO ORDER

Commissioner Koury called the Rent Control Board meeting to order at 7:03 p.m. followed by the pledge of allegiance. Commissioner Koury read a passage from the Fourteenth Amendment to the U.S. Constitution.

2. ROLL CALL

Members Present: Jennifer Kennedy
Marilyn Korade-Wilson
Joel Koury
Robert Kronovet
Zelia Mollica

Others Present: Tracy Condon, Administrator
Michaelyn Jones, General Counsel
Marcia Zimmer, Hearings Dept. Mgr.
Keith Kresge, Staff Attorney
Amy Regalado, Staff Attorney
Glenda Jacobs, Board Secretary

3. APPROVAL OF THE MINUTES: June 25, 2009

Commissioner Korade-Wilson, seconded by Commissioner Mollica, moved to adopt the minutes of June 25, 2009. The motion passed unanimously in a roll call vote.

6. CONSENT CALENDAR

A. Appeals

- 1) D-4448: 1422 Harvard St, Unit 1422, Appellant – J. Fisch (LL) by T. Nitti (Rep)
Landlord appeals hearing officer decision granting a rent decrease.

Staff Attorney Amy Regalado presented a summary of the staff report. Aaron Pugliese, tenant, and J.L. Jacobson, owner representative, addressed the Board.

Following a discussion, Commissioner Korade-Wilson, seconded by Commissioner Kennedy, moved to adopt staff recommendation to affirm the hearing officer's decision to grant a decrease in the amount of \$1,113 including staff's recommendation to correct the typographical error in Findings of Fact and Conclusions of Law number 39 of the hearing officer's decision. The motion passed in a 4-1 roll call vote. Commissioner Kronovet voted no.

- 2) I-1503: 2402 4th St., Unit 12, Appellants – W. and S. Norell (TTs)
Tenants appeal hearing officer decision granting a rent increase.

Staff Attorney Keith Kresge presented a summary of the staff report. William Norell, tenant, and Rosario Perry, owner, addressed the Board.

After a lengthy discussion, Commissioner Kronovet, seconded by Commissioner Koury, moved to adopt staff recommendation to affirm the hearing officer's decision granting a monthly increase of \$780, increasing unit 12's MAR to \$1,588. The motion passed in a 4-0-1 roll call vote. Commissioner Korade-Wilson abstained.

A break was called in the proceedings and the meeting resumed approximately 13 minutes later.

- 3) M-0751: 2812 Arizona Ave., Unit B, Appellant – P. Coltun (LL)
Landlord appeals hearing officer decision that found excess rent.

Staff Attorney Keith Kresge presented a summary of the staff report. Commissioner Kennedy, seconded by Commissioner Mollica, moved to adopt staff recommendation to deny the appeal and affirm the hearing officer's decision which found excess rent, interest and penalty totaling \$2,272.17. The motion passed in a 4-1 roll call vote. Commissioner Kronovet voted no.

7. JURISDICTIONAL ITEM

C. Removal

- 1) 430R-C: 814 2nd St., Unit 814-K, Applicant – Shoreland Plaza LLC (LL) by L. Alper (Rep)
Applicant seeks removal permit claiming unit is uninhabitable and cannot be made habitable. Recommendation: Grant

Staff Attorney Kresge presented a summary of the staff report. Commissioner Kronovet, seconded by Commissioner Korade-Wilson, moved to grant the removal application including the proposed findings of fact and conclusions of law. The motion passed unanimously in a roll call vote.

11. BOARD DISCUSSION ITEMS

- A. Ability of owners to reduce the rent without affecting the Maximum Allowable Rent (MAR) – Commissioner Kronovet.

Michael Millman and Rosario Perry addressed the Board. Following a discussion, Commissioner Kronovet moved to have staff draft a proposed regulation on this issue. Commissioner Koury, seconded by Commissioner Kronovet, amended his motion and moved to direct staff to draft a proposed regulation for clarification on lowering the tenants' rent without affecting the MAR. The motion failed on a 2-3 roll call vote. Commissioners Mollica, Kennedy and Korade-Wilson voted no.

Upon further discussion, Commissioner Korade-Wilson, seconded by Commissioner Kronovet, moved to have staff return with suggestions on how to inform the public that in most cases rents may be reduced voluntarily without affecting the maximum allowable rent. The motion passed in a 4-1 roll call vote. Commissioner Kennedy voted no.

B. Ten percent (10%) rent increase for additional tenant (with exceptions) -

Commissioner Kronovet moved to direct staff to propose a regulation for a ten percent rent increase for additional tenants in a unit in Santa Monica. The motion failed for lack of a second. Michael Millman addressed the Board. The Commissioners agreed to discuss this item again later in the year. No other action was taken.

Commissioner Koury read a statement explaining that for personal reasons he is resigning his position as a Commissioner on the Santa Monica Rent Control Board effective August 5, 2009.

15. ADJOURNMENT

At 10:32 p.m. Commissioner Koury adjourned the meeting.