San Rafael Canal area landlords, tenants strike deal on rent hikes

By KERI BRENNER | kbrenner@marinij.com | September 6, 2018 at 10:45 am

Tenants in the Canal area of San Rafael and owners of two apartment buildings have agreed to phase in a previously announced 40 percent rent increase over the next 16 months, instead of having it come due Sept. 1 as originally planned.

“Both sides will work together over the next year to identify and address any necessary repairs, and the proposed rent increase,” said a joint statement issued by email Tuesday from Jonathan Black, attorney from the Walnut Creek-based ownership group MCMS LLC, and David Levin of Legal Aid of Marin, an attorney representing the affected tenants in the two buildings of 20 units each.

The deal comes after an Aug. 17 protest rally in downtown San Rafael where tenants and community leaders said the full increase due immediately would leave some families homeless and would rob more than 60 San Rafael City Schools students of stability in their home lives and their educational futures.

Black, of Weston Law Group in Walnut Creek, said terms of the agreement call for the actual dates of the phased increases and the dollar amounts of each phase to not be disclosed publicly by any of the parties for business reasons.

The 40 tenants, who signed off on the deal according to Black, discussed its specific terms among themselves at a meeting Thursday at Pickleweed Park in the Canal neighborhood.
“I’m happy with the result,” Timoteo Maldonado, a tenant and father of three, said in an email Sunday. “I will have to move eventually, because we can’t afford to live here, but at least it gives us time to make a plan.”

MCMS LLC purchased the two buildings in June. Subsequent to the purchase, they sent 60-day notices of 40 percent increases — or about an $800-per-month rise — to be effective Sept. 1. That would have meant the rent in an average apartment in the two buildings would have climbed from $1,900 per month to $2,700 per month.

Under the agreement negotiated between Levin and Black, that $800 per month increase would not be realized in full until 2020. Black has said that the higher rents were needed to offset significant improvements and renovations the owners needed to make to bring the buildings up to market value.

In addition to Levin and legal assistant Rocio Espinoza at Legal Aid of Marin, area leaders who assisted in the talks included San Rafael Mayor Gary Phillips and members of the activist group Marin Organizing Committee, according to the joint statement issued Tuesday.

Marin Organizing Committee member Meredith Parnell said in an email over the weekend that the group will be pushing for local jurisdictions to put stronger renter protections in place in Marin County for tenants countywide. The group plans to have a presence at a Marin County Board of Supervisors meeting at 5:30 p.m. Sept. 11 at the Civic Center in San Rafael to show support for a just-cause eviction ordinance that would prevent landlords from evicting tenants without specific reasons.

An estimated 90,000 Marin residents are renters, Parnell said. The county has already put in place an ordinance for the unincorporated areas of the county requiring mediation if requested when rents are increased by more than 5 percent. The ordinance does not apply within the Canal or the city of San Rafael, which currently has no such renter protections in place.