

San Rafael activists decry Canal rent surge

By **KERI BRENNER** | kbrenner@marinij.com | August 20, 2018 at 12:00 am | UPDATED: August 24, 2018 at 12:00 am

San Rafael tenants, community leaders, clergy, school officials and social justice activists say a planned 40 percent rent increase in the Canal area could put several dozen families at risk of losing their homes and create a chaotic start to the school year Thursday for more than 60 San Rafael City Schools children.

The hikes, effective Sept. 1 at two buildings of 20 units each, would increase the average rent on a two-bedroom apartment from the current \$1,900 per month

to \$2,700 per month.

“We have 62 students that live in one of the two (affected) apartment buildings,” said San Rafael City Schools Superintendent Michael Watenpaugh, one of about a dozen speakers at a rally Friday before about 100 people in downtown San Rafael. “We’re concerned about what this transition could cause for them and want to make sure they are safe and ready to start school.”

The new owners of the two apartment buildings, however, say the properties are in disrepair and that they need the higher rents to offset the cost of improvements and bring the buildings up to market value — and to cover increased property taxes that occur when a property changes hands and assessments rise, as has happened in Marin.

“We’re willing to buy the buildings and make them better,” said attorney Jonathan Black, representing the Walnut Creek-based ownership group MCMS LLC. “Unfortunately, that means rents are going to have to go up — we’re not the bad guys here.”

MCMS LLC purchased the two buildings on June 14, according to the Marin County Assessor’s Office. Black said the owners, after sending a letter of introduction and asking tenants to report needed improvements, subsequently sent out a 60-day notice of the rent hike effective Sept. 1.

Tenants testified at Friday’s rally they are already working two or three jobs to pay the rent and that



Supporters of tenants' rights rally in front of Saint Raphael Church on Friday in response to rent spikes at two apartment buildings in the Canal area of San Rafael. (Alan Dep/Marin Independent Journal)



another \$700 or \$800 more per month would be impossible to pay. They said they are paying high rents for substandard apartments with bedbugs, cockroaches and broken appliances.

Timoteo Maldonado said he works more than 60 hours a week to pay the rent and support his family.

“I’m just a working family and I pay my taxes and pay whatever I need to do,” he said. “I’m worried about my children who think they might have to leave when they’ve been at the same school district for 11 years. They are good students and they don’t want to leave.”

At the same time, Black, of Weston Law Group PC in Walnut Creek, said he has been in negotiations for some time with tenants’ attorney David Levin of Legal Aid of Marin to see if some type of resolution can be made to help both sides. He said he was blindsided last week when rally organizers told him they were planning to use media pressure to push for a solution, when he had already been working privately with the tenants’ attorney on the matter.

“We feel good about our negotiations and the path it’s taking us for the future,” Black said Monday. “It’s a shame we’ve been painted in a negative light, because we want to improve the housing of the community, and to provide value.”

San Rafael Mayor Gary Phillips said he met with affected tenants and rally leaders from the **Marin Organizing Committee** last week. He told the group he was willing to intervene and meet with the landlords, but added he was not sure if that would help because the city has no renter protections in place.

“My concern is that if the rent suddenly goes up 40 percent, most people would have a hard time preventing a significant impact on their lives, or they would have to relocate because of it,” Phillips said Monday. “I don’t know what the impact would be (of my intervention) because we don’t have a huge amount of leverage.”

Meredith Parnell, of Congregation Rodef Sholom in San Rafael and a member of Marin Organizing Committee, said the bottom line was that San Rafael needs to put renter protection measures in place as has been started in unincorporated Marin County. The Marin County Board of Supervisors has adopted a mediation ordinance that requires mediation if rents rise more than 5 percent; Parnell thinks San Rafael should do the same.

“Renters in Marin County need protections,” she said.

Other legal measures could include a just-cause eviction ordinance to prevent random evictions simply because landlords might want to raise the rent.

“While we applaud the mandatory mediation ordinance, it’s simply not as effective without a just-cause eviction ordinance,” Parnell said.

Black said the MCMS ownership group has a track record of upgrading distressed property and helping people who invest their life savings in rental property to gain a fair return on their investment.

“I think there should be a fair deal across the board,” he said. “They’re acting like we’re bulldozing their home when in reality we’re bringing it up to market value and making it more livable.”

Black said he hopes to work out something with the tenants’ attorney by the end of this week.