Minutes

Remote Rent Board Meeting - Held Via Zoom
Wednesday, June 22, 2022

Start time: 5:07pm

II. Roll Call - 00:00:42

Elliott Simpson, Tenant, District 3 - Chair
Barbara Vestal, Landlord, At-Large - Vice Chair
Amir Familmohammadi, Tenant, District 1
Vacant, District 2
Ian McCracken, Landlord, District 4
Vacant, District 5
Elias Kann, Tenant, At-Large

Staff present:

Kari Twaite, Corporation Counsel
Katlyn Sawyer, Licensing & Registration Coordinator

Before the Board discussed the next agenda item, the Chair made the public aware that two Board members had submitted resignation. Those two members were Austin Sims and Josef Kijewski.

III. Minutes - 00:01:07

The Vice Chair had one amendment to the minutes, located on page 3, under agenda item C for Fair Rate of Return Further Discussion; to change the wording in paragraph two from "While the information is now maintained…" to "While the information is not maintained…"

> The Vice Chair makes a motion to accept the minutes with the correction of the above mentioned typo. Seconded by the Chair. Vote: 5-0 (two vacancies within the Board).

IV. Communications - 00:03:52

A. **Please note: Written public comment must be received via email (rentboard@portlandmaine.gov) by 12pm the day before the scheduled meeting. Please make sure that the subject line reads "Written Public Comment".**

There were no submissions for this agenda item.

V. Unfinished Business - 00:04:05

A. Discussion of Updated Forms

00:12:26 - Elias Kann made a motion to accept the changes as they have been presented. Seconded by Amir Familmohammadi. Vote: 5-0 (two vacancies on the Board).

The Vice Chair did state that she did not have possession of the original word document for the Tenant Complaint form to make redlines on, however, she provided a separate page with where the redline edits would be.

B. Update on Annual Report to the City Council - 00:13:44

The Board had agreed that their deadline for Rent Board updates on the Annual Report would be July 10th.

VI. New Business - 00:20:46

A. Rent Increase Application - Public Comment

Landlord: Bryant & Hesseltine LLC - Willa Vennema
Property Address: 5 Bryant Street (Single Family Home)
CBL: 129-C-002-001
Type of Increase: Fair Rate of Return

There were no witnesses or tenants who spoke as objectors.

No public comment was received on this application.

01:02:30 - The Vice Chair makes a motion to approve the requested $300 per month Fair Rate of Return request, subject to the 10% per year increase. Seconded by Amir Familmohammadi.

> 01:16:36 - The Board returns to the original motion listed above. Vote: 3-2 (Ian McCracken and Elliott Simpson voted against the motion. There were also two vacancies on the Board). The motion did not pass.

01:33:18 - The Vice Chair makes a motion based on a finding of a disproportionately low rent and an expectation between the parties that the rent would increase $100 per month per year, approximately. That the Board approves the requested increase to set the base rent as of this date at $1,400 per month invoking Sec 6-263(a) to grant a rent increase greater than those otherwise allowed by the rent stabilization ordinance. But that the applicant would not be able to take the CPI or tax increase for a rent increase that occurs in 2022.

> Seconded by Ian McCracken. Vote: 4-1 (Amir Familmohammadi voted against the motion, and there are two vacancies on the Board).

Ian McCracken is drafting the decision forms for this meeting. The Board will return to this form at the end of the meeting.

B. Rent Increase Application - Public Comment - 01:38:51
Landlord: Sesame Street Rentals - Katherine Freund
Property Address: 28 Crosby Street, Units 28 & 28A
CBL: 135-D-024-001
Type of Increase: Capital Improvement Costs

There were no witnesses.

A tenant, Chris Jones, did speak in regards to this application.

No public comment was received.

01:56:02 - Elias Kann makes a motion to accept the application as presented with the capital improvements amortized over 27.5 years subject to the 10% cap. The furnace expense of $8,682.88 for unit 28A came out to a rent increase of $26.31.

No second was received, the Board continues deliberations.

02:04:57 - Elias revises his original motion to accept the application as proposed with the capital improvements amortized over a period of 20 years. The furnace attributed only to unit 28a and the chimney liner being split between the two units equally. The rent increase would come out to $42.10 for unit 28a and $5.92 for unit 28.

Seconded by the Chair. Vote: 5-0 (Two vacancies on the Board).

02:08:25 - Ian drafted the decision forms for this meeting. Some edits were made to the form.

The Chair makes a motion to accept the decision form as written. Seconded by Amir. Vote: 5-0 (Two vacancies on the Board).

C. Rent Increase Application - Public Comment - 02:14:42
Landlord: Hilary Shorey
Property Address: 96 Florida Ave (Single Family Home)
CBL: 403-A-007-001
Type of Increase: Fair Rate of Return

There were no witnesses and no tenants spoke as objectors.

No public comment was received.

02:44:04 - The Board asks the applicant if she is okay with this application being reviewed as a Capital Improvement versus a Fair Rate of Return. She agreed to the change.

02:58:34 - Elias Kann makes a motion to approve the Landlord’s application under Capital Improvements with the improvements amortized over 10 years pending submission of receipts and a conditional approval of the fence repairs based on evidence that it's been completed and submission of the estimate.

No second was received, the Board continues deliberations.

03:10:45 - Elias Kann revises his original motion to grant a capital improvements increase for all improvements that have already been done, which comes out to $44.77 a month, with a conditional rent increase granted upon submission of both the estimate and proof that the work has been completed for the privacy fence. The second conditional increase will be $11.67 a month, for a total $56.44 a month.

Seconded by Amir. Vote: 3-2 (Ian and Elliott voted against the motion, and there are two vacancies on the Board). This motion did not pass.

03:18:54 - Ian McCracken makes a motion to accept the applicant's request for a rent increase under Fair Rate of Return to reset base rent using capital improvements made as justification using a 5-year depreciation schedule for 2020, 2021, and 2022 repairs pending submission of receipts. The rent increase would come out to $142.12 and is subject to the 10% a year cap, not including CPI and other allowable increases.

No second was received, the Board continues deliberations.

03:23:30 - Ian amends his motion to withdraw the mention of resetting the base rent to say: Increase based on Fair Rate of Return for a rent increase of $142.12, subject to the 10% cap.

Seconded by Elias. Vote: 4-1 (Amir voted against the motion, and there are two vacancies on the Board).

Ian is drafting the decision forms for this meeting. The Board will return to this form at the end of the meeting.

D. Rent Increase Application - Public Comment - 03:26:03
Landlord: Terrace Pond LLC
Landlord's Representative: Sean Duffy with Pizzo's Prop. Mgmt
Property Address: 723 Riverside Street, Unit 110
CBL: 324-A-002-001
Type of Increase: Fair Rate of Return

There are no witnesses or tenants who spoke as objectors, as the unit is currently vacant.

No public comment was received.

03:43:57 - Amir Familmohammadi makes a motion to deny the rental increase for this unit. Seconded by Elias. Vote: 5-0 (There are two vacancies on the Board).

03:45:33 - Ian drafted the decision forms for this meeting. Some edits were made to the form.

Ian makes a motion to accept the decision form as written, seconded by the Vice Chair. Vote: 5-0 (Two vacancies on the Board).

E. Rent Increase Application - Public Comment - 03:50:50
Landlord: East Danforth LLC
Landlord's Representative: David Bergeron with Port Prop. Mgmt
Property Address: 71 Danforth Street, all 7 units
CBL: 040-A-019-001
Type of Increase: Capital Improvement Costs

There were no witnesses and no tenants spoke as objectors.

No public comment was received.

04:16:47 - Amir requests that the applicant supplies the Board with what the amounts would be following a standard amortization schedule.

The Vice Chair also addressed a question regarding the last two applications (located on Casco Street) - that the capital improvements, the repayment is spread out over only the unsubsidized units, not all of the units. She would like an explanation to that method as well.

04:18:06 - The Chair confirms with the Board and applicant are okay with tabling all Mr. Bergeron's applications to the next meeting. The previously requested items discussed amongst members of the Board require additional details on.

Mr. Bergeron agreed to tabling the applications to the next meeting.

04:21:21 - The Vice Chair makes a motion to move these applications to the next Rent Board meeting. Seconded by Amir. Vote: 5-0 (Two vacancies on the Board).

F. Rent Increase Application - Public Comment
Landlord: Eastern Residential LLC
Landlord's Representative: David Bergeron with Port Prop. Mgmt
Property Address: 304 Eastern Prom, Units 16-1 to 16-B
CBL: 015-B-001-002
Type of Increase: Capital Improvement Costs

This agenda item is tabled for next month's meeting.

G. **Rent Increase Application - Public Comment**
Landlord: Shepley LLC
Landlord's Representative: David Bergeron with Port Prop. Mgmt
Property Address: 18 Casco Street, all 62 units
CBL: 037-C-006-001
Type of Increase: Capital Improvement Costs

This agenda item is tabled for next month's meeting.

H. **Rent Increase Application - Public Comment**
Landlord: Ambassador LLC
Landlord's Representative: David Bergeron with Port. Prop. Mgmt
Property Address: 37 Casco Street, all 92 units
CBL: 037-D-007-001
Type of Increase: Capital Improvement Costs

This agenda item is tabled for next month's meeting.

04:22:11 - The Board returns to the remaining decision forms

5 Bryant Street

The Board makes some edits to the form.

The Chair makes a motion to accept the decision form as written. Seconded by the Vice Chair. Vote: 5-0 (Two vacancies on the Board).

96 Florida Ave

The Board makes some edits to the form.

Ian makes a motion to accept the decision form as written. Seconded by Elias. Vote: 5-0 (Two vacancies on the Board).

04:38:38 - Amir makes a motion to adjourn, seconded by Elias. Vote: 5-0 (Two vacancies on the Board).

VII. Adjourn

Meeting end time: 9:45pm