Remote Rent Board Meeting Minutes - Held Via Zoom

Wednesday, May 10, 2023 Start time: 5:02pm

II. Roll Call

Elliott Simpson, Tenant, District 3 - Chair
Barbara Vestal, Landlord, At-Large - Vice Chair
Vacant, District 1
Matthew Walker, Tenant, District 2
Ian McCracken, Landlord, District 4
Philip Mathieu, Tenant, District 5
Vacant, At-Large

Staff present:
Katlyn Sawyer, Licensing & Registration Coordinator
Zachary Lenhert Licensing & Housing Safety Manager
Benjamin Plante, Esq., Counsel for the Rent Board

III. Executive Session - 00:02:11

A. **Executive session pursuant to 1 M.R.S. 405(6)(E) to consult with the Rent Board's attorney regarding the Board's legal rights and duties to address conflicts of interest and comply with the public meetings law**

The Vice Chair makes a motion referencing the verbiage above, seconded by Philip. Vote: 5-0 (Two vacancies on the Board).

At 6:09pm, the Vice Chair motioned to adjourn Executive Session and return to the public meeting, seconded by Philip. Vote: 5-0 (Two vacancies on the Board).

01:07:44 - The Board returned to the public meeting

IV. Approval of Minutes - 01:08:13

A. **March 22, 2023 Minutes with Appendix A**

01:08:43 - The Vice Chair makes a motion to approve as written, seconded by Matthew Walker. Vote: 5-0 (Two vacancies on the Board).

V. Communications - 01:09:10

A. **655 Congress St - Rent Appeal Review**

There was no discussion on this item.

B. **Written Public Comments**

There was no discussion on this item.

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VI. Unfinished Business - 01:10:46

A. **Rent Increase Application - Public Comment**
Owner: Seaforth Housing LLC
Landlord's Representative: David M Hirshon, Hirshon Law Group
Property Address: 389 Cumberland Ave, All 116 Units
CBL: 036-I-037-001
Type of Increase: Capital Improvement Costs and Fair Rate of Return

The Vice Chair made it known to members of the public that there was discussion of conflict of interest and appearance of conflict where a new Board member participated in this item in the previous meeting as a member of the public. Based on change of roles and statements made at that meeting, in order to avoid the appearance of a conflict of interest, a motion will be made that the Board vote to recuse the newest Board member, Matt Walker, from participating as a member of the Board in deliberation and voting on the application of Seaforth Housing LLC. Seconded by Ian.

01:13:21 - Matt Walker speaks on this matter

01:15:16 - Other members of the Board voiced their opinions

01:18:21 - Benjamin Plante, Esq., Counsel, suggested the Board hears input from the applicant in the event they have any objections to this. And that the current motion is tabled

01:19:17 - The Vice Chair tables the motion so that the Board can check in with the applicant

01:20:27 - The Landlord's Representative, David Hirshon, speaks.

01:24:11 - The Vice Chair puts the motion back on the table, seconded by Ian. Vote: 4-1 (Matt Walker voted against the motion and there are two vacancies on the Board)

The Chair will allow Matt Walker to speak as a member of the public

No tenants spoke as objectors.

01:31:50 - Public Comment

1. Matt Walker, who lives at 655 Congress St, spoke on the application.

01:36:29 - The Vice Chair made a motion that the Board find that an additional rent increase is appropriate based on capital improvement costs and that the Board accept Landlord's claim of $626,040.00 for a new roof amortized over 10 years, reduced by twenty-five percent (25%) for the common area with the net recovery of $46,754.00 per year, averaging $33.59 per month per unit for 116 units. The actual monthly rent increase to be allocated among the units in proportion to square footage and incorporating the applicant's exhibit B, column 6 monthly increase with proof. Seconded by Phlip. Vote: 4-0 (Two vacancies on the Board and Matt Walker was recused).

B. **Rent Increase Application - Public Comment - 01:38:45**
Owner: Eastern Residential Inc
Landlord's Representative: David Bergeron with Port Property
Property Address: 16 Walnut St, Units 1-8 & B
CBL: 015-B-001-002
Type of Increase: Increased Housing Service Costs

The Vice Chair made a motion that the Board vote to recuse Matt Walker from participating as a member of the Board in deliberations and voting on the application of Eastern Residential Inc concerning 16 Walnut Street, due to the appearance of a conflict of interest based on comments made at the prior meeting as a member of the public.

01:41:28 - The Landlord's Representative, David Bergeron, has asked the Board to recuse Matt Walker on this application.

01:43:34 - Matt Walker speaks on the matter

01:45:43 - Members of the Board voiced their concerns

01:49:20 - The Vice Chair puts the motion back on the table, seconded by Ian. Vote: 4-1 (Matt Walker voted against the motion and two vacancies on the Board)

The Chair allowed Matt to participate as a member of the public

No tenants spoke as objectors.

01:57:52 - Public Comment

1. Matt Walker, who lives at 655 Congress St, spoke on the application

03:16:12 - The Vice Chair made a motion that the Board table this to either the May or June meeting for the applicant to submit sample leases and/or promotion material for the apartment units in question. Seconded by Philip. Vote: 4-0 (Two vacancies on the Board and Matt Walker was recused).

C. **Rent Increase Application - Public Comment - 03:18:16**
Owner: West Bayside Partners LLC
Landlord's Representative: David Bergeron with Port Property
Property Address: 132 Marginal Way, All 196 Units
CBL: 442-A-001-001
Type of Increase: Capital Improvement Costs

The Vice Chair made a motion that the Board vote to recuse Matt Walker from participating as a member of the Board in deliberations and voting on the application of West Bayside Partners LLC pertaining to 132 Marginal Way, due to the appearance of a conflict of interest based on comments made at the prior meeting as a member of the public. Seconded by Philip.

03:19:39 - Matt Walker speaks on the matter

03:21:06 - The Landlord’s Representative, David Bergeron, initially did not object to Matt Walker participating as a member of the Board. However, after discussion from Counsel, the previous statement was retracted and they requested that the Board vote to recuse Matt.

03:22:11 - Benjamin Plante, Esq., Counsel for the Board provided clarity and guidance to the statement initially made by Port Property.

03:25:29 - A vote was taken on the original motion presented. Vote: 4-1 (Matt Walker voted against the motion and two vacancies on the Board)

The Chair allowed Matt to participate as a member of the public

No tenants spoke as objectors.

03:29:12 - Public Comment

1. Matt Walker, who resides at 655 Congress St, spoke to the application
2. Jessica Purser, a former tenant, spoke about constant issues with a broken elevator and the hot water

03:39:27 - Philip made a motion to approve the increase in the amount of $5.59 per unit, following a ten-year amortization under capital improvements. Seconded by the Vice Chair. Vote: 4-0 (Two vacancies on the Board and Matt Walker was recused).

VII. New Business - 03:40:34

A. **Rent Increase Application - Public Comment**
   Owner: National Society of the Colonial Dames in the State of Maine
   Property Address: 1267 Westbrook St, Upstairs Floor Unit
   CBL: 213-D-002-001
   Type of Increase: Increased Housing Service Costs and Fair Rate of Return

03:46:22 - A current tenant, Roy Depasquale, spoke on the application submitted

No public comment was received

04:23:06 - The Vice Chair made a motion that based on fair rate of return, the Board approve an increase in current rent to $1,200.00 per month with the stipulation that the applicant is not able to also take a CPI increase for 2023, with the clarification that this is subject to the ten percent (10%) cap so some of the increase will be banked for a future year. Seconded by Philip. Vote: 5-0 (Two vacancies on the Board).

B. Rent Increase Application - Public Comment - 04:25:01
Owner: Rockprop LLC
Property Address: 14 Veranda St
CBL: 429-C-006-001
Type of Increase: Increased Housing Service Costs and Fair Rate of Return

The applicant was not present at the time of discussion.

No tenants spoke as objectors

No public comment was received

04:31:18 - The Chair made a motion that HSO inform the applicant that the Rent Board has advised that they will need to resubmit their application using the new Maintenance and Net Operating Income (MNOI) worksheet, which can be sent via email. Seconded by the Vice Chair. Vote: 5-0 (Two vacancies on the Board)

04:36:15 - The Chair made a motion that the Board goes past 9:30pm to continue with the last agenda item, seconded by Matt Walker. Vote: 5-0 (Two vacancies on the Board).

C. Nominations for the next Board Chair - 04:37:14

The Chair stated that this is for nominations only and that voting will happen at the next meeting.

Barbara Vestal nominated Elliott Simpson as Chair. Elliott accepted the nomination.

Matt Walker nominated Barbara Vestal as Vice Chair.

Barbara did mention that her term is up in March 2024, at which she does not anticipate renewing.

Ian McCracken nominated Philip Mathieu as Vice Chair. Philip accepted the nomination.

04:42:17 - Decision Forms

389 Cumberland Ave

Edits were made to the form.

04:53:11 - Philip made a motion to accept the decision form as written, seconded by the Vice Chair. Vote: 4-0 (Two vacancies on the Board and Matt Walker was recused).

04:54:35 - 132 Marginal Way

Edits were made to the form.

04:58:49 - Philip made a motion to accept the decision form as presented, seconded by the Vice Chair. Vote: (Two vacancies on the Board and Matt Walker was recused).

05:00:22 - 1267 Westbrook St

Edits were made to the form

05:13:03 - Matt Walker made a motion to approve the decision form as written, seconded by the Vice Chair. Vote: 5-0 (Two vacancies on the Board).

05:13:48 - Zachary Lenhert, Licensing & Housing Safety Manager for the Housing Safety Office (HSO) made a request to the Board, specifically the Chair and Philip, to sit down and discuss the MNOI worksheet to be able to help applicants fill out the new application

VIII. Adjourn

05:16:08 - Matt Walker made a motion to adjourn the meeting, seconded by Philip. Vote: 5-0 (Two vacancies on the Board).

Meeting end time: 10:19pm