REMOTE RENT BOARD COMMITTEE

December 1, 2021
5:00 PM

Virtual meetings are allowed using emergency legislation approved by LD 2167; 1 M.R.S. §403A, that authorizes cities and towns to conduct meetings online. Allow your computer to install the free Zoom app to get the best meeting experience. If you are not able to attend live, a recording will be uploaded to portlandmaine.gov/livestream the next day. For public comment, you will need to use the "raise your hand" feature. To raise your hand via the telephone, please hit *9. You will be unmuted by the host when it is time for public comment.

ZOOM INFORMATION:

Please click the link below to join the webinar:
https://us06web.zoom.us/j/82920880286?pwd=TXYyODN6dUIxS2hVTUwyV21vcXpiQT09
Passcode: 457363
Or One tap mobile :
US: +13126266799,,82920880286# or +16465588656,,82920880286#
Or Telephone:
Dial(for higher quality, dial a number based on your current location):
US: +1 312 626 6799 or +1 646 558 8656 or +1 301 715 8592 or +1 346 248 7799 or +1 720 707 2699 or +1 253 215 8782
Webinar ID: 829 2088 0286
International numbers available: https://us06web.zoom.us/u/kbBBpbd8Cr

II. Roll Call

III. Minutes

a. October 27, 2021 Minutes

IV. Communication

a. Written Public Comment (Received late for Prior Meeting)

b. General Written Public Comment for 12.1.21 Rent Board Meeting
Please note: Written public comment must be received two business days prior to the next scheduled Rent Board meeting. These can be emailed to: rentboard@portlandmaine.gov

c. Case Update: SMLA et al. Vs The City of Portland

d. Memo from Corporation Counsel on Renovations

V. Unfinished Business

a. Amended Increased Housing Service Costs Final

b. Rent Increase Application - Public Comment
Landlord: Shepley LLC
Property Address: 18 Casco Street, See attached units
CBL: 037-C-006-001
Type of Increase: Renovation of a unit or Reconfiguration of one or more units

VI. New Business

a. Rent Increase Application - Public Comment
Landlord: MAS Assets LLC
Property Address: 1060 Forest Ave, 1st & 2nd Floor units
CBL: 146-B-012-001
Type of Increase:
1. Renovation of a unit or Reconfiguration of one or more units
2. Capital improvement costs, including financing costs

b. Rent Increase Application - Public Comment
Landlord: Anadilya Properties LLC
Property Address: 21 Pleasant Street, Unit 2
CBL: 038-E-024-001
Type of Increase:
1. Renovation of a unit or Reconfiguration of one or more units
2. Capital improvement costs, including financing costs

c. Rent Increase Application - Public Comment
Landlord: Paul Taylor

Property Address: 44 Sawyer Street, Unit 1
CBL: 138-A-010-001
Type of Increase:
1. Renovation of a unit or Reconfiguration of one or more units
2. Increased housing service costs

ADJOURN

Minutes

Remote Rent Board Meeting - Held Via Zoom
Wednesday, October 27, 2021

Start time: 5:02pm

II. Roll Call - 00:00:28

Austin Sims, Homeowner, District 5 - Chair
Barbara Vestal, Landlord, At-Large - Vice Chair
Christopher "Buddy" Moore, Tenant, District 1
Elliott Simpson, Tenant, District 3
Ian McCracken, Landlord, District 4
Elias Kann, Tenant, At-Large

There is one vacancy within the Board, so there are only 6 Board members until filled.

Staff present:

Anne Torregrossa, Corporation Counsel (late)
Katlyn Sawyer, Licensing & Registration Coordinator
Zachary Lenhert Licensing & Housing Safety Manager
Jessica Hanscombe, Permitting & Inspections Director

III. Minutes - 00:00:55

Motion to approve minutes as accepted by the Chair and seconded by the Vice Chair. Vote 6-0

IV. Communications - 00:02:00

A. Public Comment

Public comment was taken in regards to the deadline for submission of written public comments for the Rent Board meeting.

The Chair had requested that the written comments that were submitted after the deadline that Housing Safety sets for tonight's meeting be added to the agenda for the next Rent Board meeting

V. Unfinished Business - 00:11:43

A. Amended Increased Housing Service Costs

Buddy Moore will revise the document with suggested edits from Board members to bring back before the Board at the next Rent Board meeting for a vote

VI. New Business - 00:24:22

A. **Rent Increase Application - Public Comment**
Landlord: Maria Synder - MAS Assets LLC
Property Address: 1060 Forest Ave, 1st Floor Unit & 2nd Floor Unit
CBL: 146-B-012-001
Type of Increase:
1. Renovation of a unit or Reconfiguration of one or more units
2. Capital improvement costs, including financing costs

No tenants had spoken as objectors.

Public comment was taken.

Motion was made by the Chair and seconded by Elias Kann to not table this application but rather the applicant resubmits in the future after discussing further information needed with the Housing Safety office and bringing the property into compliance. Vote 6-0

B. **Rent Increase Application - Public Comment - 01:01:19**
Landlord: Shepley LLC
Property Address: 18 Casco Street, See attached units
CBL: 037-C-006-001
Type of Increase:
1. Renovation of a unit or Reconfiguration of one or more units

The Landlord had two witnesses that spoke on behalf of the application submitted before the Board.

Five tenants have spoken as objectors.

Public comment was taken and then addressed by Jessica Hanscombe, Director of Permitting and Inspections.

The Vice Chair has asked if Anne Torregrossa could provide a memo that provides a more clear definition of Renovation and to further detail the 10% cap with resetting the base rent and rent increases.

The Chair made a proposal that the Landlord amends his application to submit the numbers under Capital Improvement Costs instead of Renovation, while capped at the 10%, allowing the Landlord to re-present his case until the Board has a more clear idea of what defines Renovation pending Anne Torregrossa's memo at the next Rent Board meeting.

> Elias Kann had made a counter proposal to ask the Landlord if he would amend his application under terms that the Chair originally brought forth
>
> The Landlord does not want to amend his application and for the Board to adjudicate it as presented

The Vice Chair moves to table this application as is to the next Rent Board meeting for when the Board has the benefit of Anne Torregrossa's memo, which was seconded by Elias Kann.

Vote: 4-1 (Elias Kann voted against the motion, with no vote from Elliott Simpson)

C. Rent Increase Application - Public Comment - 02:45:40
Landlord: Ambassador LLC
Property Address: 37 Casco Street, See attached units
CBL: 037-D-007-001
Type of Increase:
1. Capital improvement costs, including financing costs
2. Fair rate of return

There were no witnesses that the applicant had brought forth

No tenants had spoken as an objector.

Public comment was taken.

The Vice Chair motioned that the Board finds that it grants the Landlord the requested rent increase of $9.00 for the reasons set forth. It notes that the Landlord can only increase in accordance with City Code. The Board made no findings about whether the rents charged or proposed are otherwise in compliance with the Rent Control ordinance. Seconded by Ian McCracken.

The Chair wanted to amend the motion to add "pending confirmation of compliance between the Landlord and Housing Safety office". The Vice Chair accepted the amendment with a second hold from Ian McCracken

Vote: 6-0

The Chair requested to hold on the final vote for the decision form until the end of the meeting.

D. Rent Increase History Request Form - 03:12:50

The Chair moves to adopt the form as is as an aid to the workflow, which was seconded by the Vice Chair. Vote 6-0.

E. Template for 75-Day Notice of Rent Increase - 03:21:50

No action was taken on this item as the Housing Safety office is already in the process of creating a sample of this form to publish online.

03:37:18 - The Chair had brought up discussion about the date timeline of the next Rent Board meeting on Wednesday, November 24, 2021; to reschedule it to the Wednesday before the scheduled meeting or the following Wednesday.

> The Chair moves that the Board meets for the November meeting on Wednesday, December 1, 2021; seconded by Ian McCracken. Vote: 6-0

03:40:52 - The Board returns to the Decision Form for 37 Casco Street presented by Anne Torregrossa for any suggested edits and a vote.

> The Chair made a motion to then accept the form as presented, seconded by Elias Kann. Vote: 6-0

VII. Quarterly Check-in of Lessons Learned

There was no discussion as the Board did not address this agenda item.

VIII. Adjourn

Meeting end time: 8:50pm

Public Comment 10/27

5 messages

Sampson Spadafore <samspadaforeofficial@gmail.com>
To: rentboard@portlandmaine.gov

Wed, Oct 27, 2021 at 12:03 PM

Hello Rent Board Committee,

I am submitting public comment for the record of this evening's meeting.

My name is Sampson Spadafore, I live on Wabanaki land known as 243 Valley Street. I am a renter with Bellport Property Management and Severus LLC and I'm an organizer with Maine Renters United.

Our elected and appointed officials need to hold landlords accountable for illegal rent increases and unfair evictions. There is active harm and trauma being caused by the inactivity of the housing safety office and the landlords that continue to evict tenants to illegally increase rent.

Through my work with Maine Renters United, I have heard horror story after horror story of landlords evicting renters en masse to turn around and increase rent beyond the legal limit. But how are new tenants moving in supposed to know that their rent is illegal if there is no understanding of the previous tenants rent? How do new tenants know about their rights if the Housing Safety Office is not proactively enforcing that landlords tell tenants their rights? How are tenants supposed to hold their landlords accountable if the housing safety office will only make any attempts to do so unless a renter emails their office?

On top of that, renters are faced with little protection if they are considered an at-will tenant or if they are faced with a no-cause eviction that leaves them defenseless to proving retaliation for forming a tenant union, which is completely in their rights.

I believe that landlords must be held responsible. Maine Renters United demands that the Housing Safety Office be proactive about stopping landlords from charging rent that is illegally priced. The City of Portland must fund the Housing Safety Office to hire staff so they can adequately address rent issues. The courts need to consider the Rent Control Ordinance when cases are brought before them.

Thank you.

Best,
Sampson Spadafore

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Sampson Spadafore
(He/Him They/Them)
Educator | Theatre Artist | Writer | Activist
samspadaforeofficial.com

8 Casco St

My name is Matthew Walker. I live at 655 Congress, but until August I lived at 133 Grant and was a tenant of Thomas Watson and Port Property. When I lived there, there were tremendous health and fire safety hazards at the property, including trash, rats, bedbugs, and even windows nailed shut and exit doors inaccessible. These same issues are recorded in Housing Safety Office documents as failed rental registration inspections. I repeatedly contacted Port Prop to tell them to deal with these issues, However, for pointing out the dangerous housing environment, PortProp evicted me on the first day that the eviction moratorium was lifted. Within 2 days of my eviction, I found my old unit advertised on the PortProp website at a 7% increase to what I paid, which is a violation of Portland's rent control ordinance. I bring this up because, as I review Mr. Watson's proposal for 18 Casco, I notice many of the exact same problems at that building as was in mine. I would like to bring these issues to the attention of the Rent Board and the City of Portland in general.

Publicly accessible documents indicate that 18 Casco was not properly registered from 01/01/2018 - 10/13/2021, almost 4 years! Corroborating this, there is an active code case violation at the property. Code case LTR1800647 was opened on 08/06/2018 in reference to Long Term Rental Registration and corresponding inspection LTRIN-005817-2018 confirms a long list of violations, primarily related to fire safety hazards. Again, to this day, this is an open code case violation.

Furthermore COMPL-043021-2020 and BLDG2002217 issues 18 Casco another notice of violation on 09/10/2020 which references unpermitted electrical work by an unlicensed Edward Profenno. The city notes that this individual was also performing unlicensed electrical work at other properties in the city, and asks Port Prop to identify those properties so that a permitted master electrician could follow up on those other jobs. I would like to know, either from Mr. Watson or from the Housing Safety Office, which other properties Mr. Profenno was performing unlicensed work at.

Now when I examine Mr Watson's application for a "renovation", I am deeply concerned that one of the line items in his request is "Electrical: Upgrades, light fixtures". I want to know what percentage of the 628,181 dollar renovation proposal is related to the "Electrical: Upgrades, light fixtures" and if any of this electrical work is related to Mr. Profenno's illegal botched job. If this electrical work represents a significant part of the renovation plan, the Rent Board must reject the proposal. If not, then the city is awarding Mr. Watson with over $100,000 more per year from the tenants of this building because of his employees shoddy and illegal work. When a landlord practices this corner cutting, which leads to a run down building in disrepair, then the costs of repair to bring the building to code must fall on to the landlord as a result of their prior bad business practices. Anything else incentivizes landlords to cut corners for financial gain.

Finally, I was pleased to see that Mr. Watson's proposal includes the base and current rent for all the affected units. However, many of the numbers provided to the Rent Board in this proposal do not match the stated current rent on Port Prop's own advertisements, which are all easily found on their website. Just like my experience at 133 Grant, I notice that 6 of the 38 units (4, 6, 32a, 55a, 63a, 65a) all have an advertised current rent at exactly 7% increase to the base, where only 5% is allowed. Talking to tenants of Port Prop all over the city I am finding this illegal increase has a common problem at all Port Prop buildings. Some tenants have even been able to get their rent reduced to the legal value and their overpaid rent refund. In general there were very few of the base and current rents presented in this proposal which align with Port Prop's website. I would like either the Rent Board or the Housing Safety Office to make sure that all the tenants at every property affected by Port Prop's attempt at illegal increases are properly reimbursed.

Included in this comment, printed on the agenda item, are links to the HSO records referenced, and a spreadsheet which contains the price of nearly every PPM unit in the city pulled from their website.

Agenda
18 Casco St - The Shepley

Port Prop wants to increase rents for 38 units, under the guise of a "Renovation".
It's a 62 unit building. Here is a general roll for this building -->> rentboard_2021_10_27 on 18 casco tab

First, let's look at the property...
[All blue text links to Portland Public Records - Two PDFs are also linked here w/ PDF icon]
Public records indicate

- No registration from 01/01/2018 - 10/13/2021
- Long Term Rental Registration inspection, "in violation" from Aug 2018 to current
- Consistently late on fee payments
- Unlicensed electrical work, did not remedy by date required (5 months late)

Registration

2016 - 20163012	02/04/2016 - 12/31/2016	[The $930 fee was a month late BL-32473-20163012]
2017 - 20173012	12/20/2016 - 12/31/2017	[The $930 fee was on time BL-32473-20173012]
2018 - ???		
2019 - ???		[No registrations from 01/01/2018 - 10/13/2021]
2020 - ???		
2021 - 20183012	10/14/2021 - 12/31/2021	[The $1860 fee was a month late INV-00045858]

Code Case

2018 - LTR1800647	08/06/2018 - Present	[Long Term Residential still open, see LTRIN below]
2019 - BLDG1900686	04/05/2019 - 04/18/2019	[See two related 2019 COMPL below]
2020 - BLDG2002217	09/03/2020 - 03/16/2021	[Unlicensed Electrical Work!, see 2020 COMPL below]
2021 - BLDG2102877	03/18/2021 - 03/19/2021	[Housing Complaint related to HS-051850-2021 below]
BLDG2102900	03/25/2021 - 03/31/2021	[Housing Complaint HS-052239-2021/HS-052296-2021]

Inspection

2016 - 114721 / 117687 / 122966 [Three failed fire safety inspections]
2016 - 124646 12/06/2016 [Building Finally passes inspection]

2018 - LTRIN-005817-2018 08/22/2018 [LTR inspection "In Violation", see code case above]
Document from city outlining violations ----> Notice of Violation - 7018 0360 0000 6361 0328 (1).pdf

2019 - COMPL-017028-2019 04/05/2019 [Building/LandUse related to code case BLDG1900686]
COMPL-017701-2019 04/18/2019 [Follow up for above, also BLDG1900686]

2020 - COMPL-043021-2020 09/03/2020 [Unlicensed electrical work! See 2020 BLDG above]
Document from city outlining violation ----> 18 Casco Street NOV.pdf
[They were 5 months late on compliance!]

2021 - HS-051850-2021 03/18/2021 [Housing Inspection related to BLDG2102877 above]
HS-052239-2021 03/26/2021 [Housing Inspection related to BLDG2102900 above]
HS-052296-2021 03/31/2021 [Housing Inspection related to BLDG2102900 above]

Now, unit by unit for their proposal

https://www.portproperty.com/property-sitemap1.xml https://www.portproperty.com/property-sitemap2.xml

Dated 3-10-2021 at the EARLIEST

*Indicates the ad was created AFTER covid and uses a "Renting Sight Unseen" flag
Newest ads do NOT include that flag, as seen from the date on the sitemaps above

Unit Link **Advert Rent** **Rec. Turnover**	**"Base"(Jun2020)**	**Current**	**Proposed**	**Note**
1 1700 April 1 2021*	1700	1700	1950	This was rerented on ~April 1. Are we to assume that they did not increase it 5% from the base at that time? Seems obvious the "base" is not true. Who was the tenant before April 1 and what did they pay?
3 825 Sept 14, 20xx	850	850	1100	This appears to be a very long term tenant. Ad from before covid. Why exempt from rent control? WIll this unit forever be used for Section 8 or whatever, or are they just booting the subsidized renter?
4 963 Aug 31 2021*	900	945	1150	The advertised rent exceeds 5% of the base. It's 7%. Why? I see PPM raising rent by 7% on turnover is common
6 1177 Mar 10 2021*	1100	1155	1300	The advertised rent exceeds 5% of the base. It's 7%. Why? I see PPM raising rent by 7% on turnover is common
21 750 ???	800	800	1100	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as 750 or 800
22 1175 ???	1210	1210	1450	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as 1175 or 1210

23a 875 ???	900	900	1200	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as 875 or 900
24 1200 May 8 2021*	1200	1200	1500	This was rerented on ~May 8. Are we to assume that they did not increase it 5% from the base at that time? Seems obvious the "base" is not true. Who was the tenant before May 8 and what did they pay?
26 1100 April 23 2021*	1100	1100	1200	This was rerented on ~April 23. Are we to assume that they did not increase it 5% from the base at that time? Seems obvious the "base" is not true. Who was the tenant before April 23 and what did they pay?
32 795 ???	825	825	1050	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as 795 or 825
32a 1380 ???	1290	1335	1500	The advertised rent exceeds 5% of the base. It's 7%. Why? I see PPM raising rent by 7% on turnover is common
34a 995 Aug 24 20xx	1025	1025	1200	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as 995 or 1025
35a 1150 June 5 2021*	1150	1150	1300	This was rerented on ~June 5. Are we to assume that they did not increase it 5% from the base at that time? Seems obvious the "base" is not true. Who was the tenant before June 5 and what did they pay?
36 975 ???	1005	1005	1200	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as 975 or 1005

<u>36a</u> 900 ???	950	950	1300	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as X or Y
<u>41a</u> 1313 Sept 9 2021*	1250	1313	1500	This is an exactly 5% increase from base to current. Can assume just a single new tenant starting after Jun2020. Still would be interesting to know if that base is accurate, seeing as many others are suspect
<u>42</u> 800 Jan 14 20xx	950	950	1300	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as X or Y
<u>42a</u> 1300 May 8 20xx	1300	1300	1500	This is assumed to be the tenant who has been there since before Jun2020, correct? Nobody else in there, eh?
<u>43a</u> 975 May 10 2021	975	975	1200	This is assumed to be the tenant who has been there since before Jun2020, correct? Nobody else in there, eh?
<u>44</u> 1100 Oct 10 20xx	1155	1155	1450	This is an exactly 5% increase from base to current. Can assume just a single new tenant starting after Jun2020. Still would be interesting to know if that base is accurate, seeing as many others are suspect
<u>45a</u> 1000 Oct 17 20xx	1050	1050	1300	This is an exactly 5% increase from base to current. Can assume just a single new tenant starting after Jun2020. Still would be interesting to know if that base is accurate, seeing as many others are suspect
<u>46</u> 875 Sept 7 20xx	900	900	1200	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as X or Y
<u>51a</u> 1230 Aug 9 2021*	1200	1230	1500	A single 2.5% increase for that new tenant? Is there a way to verify that base rent?

52 825 ???	825	825	1050	This appears to be a very long term tenant. Ad from before covid One that actually checks out
52a 795 ???	1225	1225	1500	This appears to be a very long term tenant. Ad from before covid. Why exempt from rent control? WIll this unit forever be used for Section 8 or whatever, or are they just booting the subsidized renter? **I would confirm this base rent to the ad**
54 925 ???	1222	1085	1450	[redacted] need to confirm X/Y as in others [redacted]
54a 1000 Jun 7 20xx	1000	1000	1200	This appears to be a very long term tenant. Ad from before covid One that actually checks out
55a 1204 June 8 2021*	1125	1204	1300	The advertised rent exceeds 5% of the base. It's 7%. Why? I see PPM raising rent by 7% on turnover is common
56 1050 Nov 19, 2021*	1000	1000	1200	You have rerented this unit for more than the "current" value, possibly keeping vacant? Sitemap timestamp 2021-09-24 12:19 +00:00
62 1100 ???	1175	1175	1450	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as X or Y
62a 1300 July 22 202x*	1300	1300	1500	This is assumed to be the tenant who has been there since before Jun2020, correct? Nobody else in there, eh?

<u>63a</u> 1177 May 11, 2021*	1100	1155	1200	The advertised rent exceeds 5% of the base. It's 7%. Why? I see PPM raising rent by 7% on turnover is common
<u>64a</u> 1000 Jun 7 20xx	1025	1025	1200	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as X or Y
<u>65a</u> 1204 June 8 2021*	1125	1181	1300	The advertised rent exceeds 5% of the base. It's 7%. Why? I see PPM raising rent by 7% on turnover is common
<u>66</u> 1050 ???	1050	1050	1200	This appears to be a very long term tenant. Ad from before covid One that actually checks out
<u>66a</u> 1125 ???	1160	1160	1300	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as X or Y
<u>B</u> 1000 ???	1000	900	1400	[redacted] need to confirm X/Y as in others [redacted]
<u>C</u> 750 ???	950	950	1400	This appears to be a very long term tenant. Ad from before covid Need tenant to confirm rent and base as X or Y. Its a fairly large difference though

<u>Supplemental Information</u>

A near complete rent roll for PPM from Sept 11 2021 >> Copy of 2021-09-11-port-property-apartment-data

37 Casco St

My name is Matthew Walker. I live at 655 Congress St, but until recently was a tenant of Port Property management at 133 Grant St. I was evicted from Grant street for complaining about the health and safety hazards at that property. Upon eviction I noticed Port Property re-renting my old unit for a 7% increase, which breaks the rent control ordinance. I comment to the Rent Board today, because as I review Thomas Watson's proposal for capital improvement rental increases at 37 Casco St, I notice this same problem again. I have found that this issue is a common issue among every building Port Property runs, and has occurred any time a unit has turned over a tenant since June 2020.

Straight to the point I will say, this proposal is a carrot on a stick to trick the Rent Board into approving a set of inaccurate and base rent values already elevated from the June 2020 levels. While it does appear to be a very modest rent increase of $108 per unit per year, the intent of this proposal is to lock in those inaccurate base rent values with Board approval.

In my review of this proposal I have cross referenced the base and current rent values provided in Mr Watson's proposal to his own advertisements on his website. I found inconsistencies in the majority of his claims to the Broad versus his advertisements. A detailed collection of all the advertisements is here Copy of 2021-09-11-port-property-apartment-data , and abridged version here rentboard_2021_10_27

In particular, of the 92 units at 38 Casco street, 21 of the units have the advertised price at exactly 7% greater than the base value claimed. I would ask the board to confirm with Watson and those specific tenants to find out if they are paying the advertised rental price or the claimed rental price. If they are in fact paying a 7% increase from the turnover, please ensure those tenants are refunded their overcharged rent and that their current rent is reduced to conform to the rental control ordinance.
[Affected units are 112, 113, 203, 205, 206, 207, 213, 303, 304, 305, 307, 310, 405, 406, 407, 408, 510, 608, B3, B4, B6].
Even in Watson's proposal, some of the units he acknowledges have incurred the 7% increase. Please reference Watson's application and see in particular [203, 205, 213, 310, 408]
An example is included here

201		[illegible]	[illegible]	[illegible]
202	Exempt from Rent Control	$900.00	$900.00	$909.00
203		$1,100.00	$1,177.00	$1,186.00
204		$1,125.00	$1,150.00	$1,159.00

Furthermore, I have identified 2 units with a 6% bump and one unit with an 8% bump.

An additional 21 units also have a claimed base rent value set at a rate which is higher than what is advertised on their website. I would like clarification as to why there are hundred dollar discrepancies for these units.

Finally, another 10 units do have claimed base rent values equal to the advertised rate, however those advertisements all include a tag of "renting sight unseen" indicating that the unit was most recently available and rerented after COVID began. In fact, in the xml sitemap anyone can observe the date of the advertisement posting to confirm that these occurred sometime in 2021 (usually the summer). It is obvious that upon re-renting, Port Prop set that elevated value as the base rent even though the base rent should have been the June 2020 level.

It should be assumed that many of these base rent values are very inaccurate and that his seemingly modest proposal is actually a trick to get the Board to confirm these inaccurate and illegal base rent claims. This happened at last month's Rent Board meeting in one of his proposals as well. I assert he brings this before the board to make a mockery of the City, the Board members, and the new ordinances. Dear Rent Board, please do not fall for this trick.

Do %s refer to base or current? Matt Walker - 655 Congress St

During the last Rent Board Meeting on Oct 27, Anne Torregrossa said that the 10% maximum increase was in regard to current rent as opposed to base (recording timestamp 00:03:00 - 00:04:30). They said they were willing to get more "in depth" about that conclusion, which I would appreciate.

I would ask that the board and staff revisit this.

I would like to provide the ordinance text for in depth analysis

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Sec. 6-234. Rent increase limitations.

(a) Beginning on September 1, 2021, and occurring no later than September 1 of each subsequent year, the Housing Safety Office shall establish and publish the Allowable Increase Percentage and the Tax Rate Rent Adjustment for the following calendar year.

(b) A Landlord may only increase the rent charged for a Covered Unit once within a Rental Year, by an amount that conforms to the following specifications:

1. Annual Increase Percentage. Unless a Landlord qualifies for an additional increase as further described below, rent for a Covered Unit may not be increased by more than the Allowable Increase Percentage.
2. Tax Rate Rent Adjustment. If the mil rate within the City of Portland is altered for the subsequent fiscal year a Landlord may, in addition to the Allowable Increase Percentage, increase rent by the Tax Rate Rent Adjustment for the subsequent Rental Year.
3. New Tenancy. A landlord may increase the rent on a Covered Unit by five percent (5%) of the base rent in addition to any other allowable increases when a new tenant occupies a unit. This increase may be applied at most once per year, regardless of the number of new tenancies.
4. Banked Rent. If the Landlord has banked additional rent increases, in accordance with Section 6-235 below, this banked amount, in whole or in part, may be added to the increases permitted by subsections (i) and (ii) above.
5. Additional Rent Board Approved Increases. In addition to the above rent adjustments, the Rent Board may approve additional rent increases properly demonstrated by the Landlord, attributable to: a. Capital improvement costs, including financing costs; b. Uninsured repair costs; c. Increased housing service costs; and d. Any additional increase, within the opinion of the Rent Board, required to allow the Landlord to receive a fair rate of return.

(c) Under no circumstances may a Landlord raise the rent of a Covered Unit by more than ten (10) percent within a Rental Year. Any rent increases available to a Landlord in excess of ten (10) percent must be banked for use in a subsequent Rental Year.

(d-e) [...]

Sec. 6-235. Process of banking rent increases. If a Landlord chooses to not impose any rent increases to which they are entitled pursuant to Section 6-234 above, these increases may be banked, in whole or in part. Banked increases may be used to raise the rent of Covered Units in subsequent Rental Years in addition to the Rent Stabilization Allowances established for that year by the Rent Board, provided that the total increase of such rent shall not exceed ten (10) percent within a single Rental Year.

As can be seen, in most cases when the word "percent" comes up it is unspecified as to if the percent, in particular the 10% cap, is a percentage of the base rent or the current rent. However....

In zero cases of the ordinance is the "current rent" specified as the index by which percentages are applied.

There is a case where "base rent" is specified as the index by which percentages are applied. See 6-234 (b) 3. New Tenancy. *"A landlord may increase the rent on a Covered Unit by five percent (5%) of the base rent in addition to any other allowable increases when a new tenant occupies a unit."*

Therefore as the ordinance is more specific that increases are relative to base rent than it is specific that increases are relative to the current rent, the spirit of the document must indicate that increase percentages are relative to the base rent. Furthermore, to calculate percentages of some portion of an increase relative to base, yet other portions of an increase relative to current would make the calculations more onerous on a landlord as well as the tenants who attempt to understand the calculation of such increases.

What is a reno? Rent Board Public Comment -- Dec 1 2021 Matt Walker - 655 Congress

During the last rent board meetings, the issue of identifying a definition of "Renovation" has been a common theme. In this month's agenda, Anne Torregrossahas offered some guidance, which I will copy here.

> Finally, the question was raised as to whether the definition of renovation in Sec. 6-166 would be an appropriate definition to adopt. As I explained during the October meeting, that definition lives in a different article of the ordinance than the rent control provisions, so it does not necessarily govern. The Rent Board's job is to determine whether that is an appropriate definition in the context of the Rent Control ordinance. That definition states:
>
> > Renovation: (a) At the time of the application, the total construction cost is greater than or equal to the market value of the property as determined by the city's tax assessor; or (b) A conversion from non-conditioned to conditioned space; or (c) An addition of building gross square footage greater than or equal to the gross square footage of the existing building; or (d) Any change to the use category of a structure or property, as defined in chapter 14 of this code.

I must disagree that the definition of 6-166 is insufficient as a result of "living" in a different article. In fact, right below section 6-166 is a list of timestamps for amendments to this section. They are…

(Ord. No. 187-08/09, 4-6-09; Ord. No. 103-11/12, 2-6-12; Ord. No.82-13/14, 11- 4-13; By Referendum, 11-3-2020)

You will see that the final entry for changes to 6-166 was the Nov 2020 referendum, the same referendum that the rent control ordinance was approved in. Thus, the intent of the ordinance must relate to this definition.

Additionally the header of the page(s) for this section says Rev. 11-3-2020, which is also referring to the referendum in which the citizens of Portland passed rent control.

Please compare this to a section of the city code which was not modified through the Nov 2020 referendum. Section 6-155 and 6-156 are two examples of this. Those timestamps, respectively, say...

(Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018)

and

(Ord. 179-16/17, 3-27-2017; Ord. No. 29-17/18, 9-18-2017; Order 99-18/19, 11- 19-2018)

Therefore, I believe the intent of the rent control ordinance is to use the definition in 6-166 in regard to "Renovation" and all renovation proposals must comply to the City's Green Building Code.

MEMORANDUM

TO: City of Portland Rent Board
CC: City of Portland Housing Safety Office
FROM: Anne Torregrossa, Associate Corporation Counsel
RE: Renovations

At its October 27, 2021 meeting, the Rent Board asked me to address two questions: 1) whether an increase for "renovation or reconfiguration of Covered Units" in Sec. 6-233(c) is subject to the 10% cap on rental increases; and 2) where the Rent Board might look for an appropriate definition of "renovation," as used in that section.

Whether the 10% Cap Applies

It is likely that an increase permitted by Sec. 6-233(c) is not subject to the 10% cap on rental increases in Sec. 6-234(c). That section states:

> *Base rent following renovation or reconfiguration of Covered Units* Upon the renovation or reconfiguration of a Covered Unit, the Landlord may charge no more than the Banked Rent for that unit, or may apply to the Rent Board for determination of the appropriate increase in rent. When determining the appropriate increase in rent, the Rent Board may consider factors including the increase in floor area, the addition or upgrade of amenities, and any other factor determined relevant in the opinion of the Rent Board.

The language of the heading in Sec. 6-263(c) ("Base rent following renovation or reconfiguration of Covered Units"); the fact that all banked rent can be charged after renovation or reconfiguration under that subsection; and its location in the Code with other provisions that adjust base rent, indicate that this provision is intended to reset base rent, rather than simply provide a rental increase. Based on this distinction, it is likely that the 10% cap in increases does not apply.

Definition of Renovation

As for the appropriate definition of "renovation," that is within the Board's discretion to interpret the meaning of that word in the context of the ordinance. Where a term is undefined, Maine law generally provides that you use its ordinary meaning. The language of Sec. 6-263(c) itself provides some instruction. That section states, "When determining the appropriate increase in rent, the Rent Board may consider factors including the increase in floor area, the addition or upgrade of amenities, and any other factor determined relevant in the opinion of the Rent Board." From this list of examples, it appears that increasing the floor area of a unit would likely qualify as a renovation. Similarly, the addition or upgrade of amenities would likely qualify as a renovation. The Board should consider what types of changes or improvements to a property fit into the same nature and character as an increase in floor area and the addition or upgrade of amenities.

The question arose about how a reset of base rent for a renovation relates to the rental increase provided for in Sec. 6-234(b)(5)(a) for "capital improvements." It appears that these two categories will necessarily overlap, and it would likely be a matter of degree of work that would determine whether someone could reset base rent for a renovation. The IRS has extensive guidance on what is a capital improvement that is subject to depreciation (as opposed to a repair or maintenance, which is deductible). A capital improvement is one that leads to the betterment of a property, is to restore the property, or is to adapt the property to a new or different use. A renovation would almost certainly qualify as a capital improvement, but not every capital improvement will rise to the level of a renovation.

Finally, the question was raised as to whether the definition of renovation in Sec. 6-166 would be an appropriate definition to adopt. As I explained during the October meeting, that definition lives in a different article of the ordinance than the rent control provisions, so it does not necessarily govern. The Rent Board's job is to determine whether that is an appropriate definition in the context of the Rent Control ordinance. That definition states:

> Renovation: (a) At the time of the application, the total construction cost is greater than or equal to the market value of the property as determined by the city's tax assessor; or (b) A conversion from non-conditioned to conditioned space; or (c) An addition of building gross square footage greater than or equal to the gross square footage of the existing building; or (d) Any change to the use category of a structure or property, as defined in chapter 14 of this code.

It is likely that this definition is too restrictive, given that the Rent Control ordinance specifically contemplates that an "increase in floor area, the addition or upgrade of amenities," and similar factors could constitute a renovation.

In sum it appears that the Rent Board's job is to determine whether the amount of work put into a particular unit is substantial enough to constitute a renovation.

CITY OF PORTLAND
Permitting and Inspections Department

Increased Housing Service Costs Worksheet

Please use this worksheet to calculate any changes in Housing Services costs from one year to another. This is only for changes to existing service costs or for new housing services that were not previously provided. If you have any questions, please consult the Housing Safety Office at the number and email address at the bottom of the page.

Instructions:

- In the table below, enter the two rental years you are comparing by filling in the blank spaces at the top of the middle two columns. In the left middle column, enter the most recent year, in the right middle column enter the year you are comparing to.
- PLEASE COMPLETE EACH LINE by subtracting the prior year cost column from the most recent Year Cost Column to find the change in cost. If the cost decreased from the prior year to the most recent year, enter the difference in the Change in Cost column as a negative number. The worksheet will not be considered complete unless EVERY line is completed. If you do not, or previously did not, offer a particular listed service, you may enter "$0.00" for that item.
- Once you have found the difference in cost for each housing service, add up all the numbers in the "Change in Cost" column and enter the sum in the bottom right-hand box labelled "Total."
- Use the equation under the table to find your proposed monthly increase per unit.

Type of Service Cost	Most Recent Year __________ Cost	Prior Year ___________ Cost	Change in Cos
Real Estate Taxes (excluding taxes justifying an automatic tax rate rent adjustment)			
Heating (e.g., Gas, Propane, Oil, etc.) Costs and Repairs			
Utility Costs			
Management Fees			
Insurance (Fire/Liability)			
Legal Fees			
Accounting Fees			
Furnishings			
Laundry Facilities			
Trash Removal			
New Appliances			

389 Congress Street · Portland, Maine 04101 · 207-756-8131 housingsafety@portlandmaine.gov ·
www.portlandmaine.gov

Smoke and Carbon Monoxide Detectors			
Maintenance and General Repair Expenses			
Fire Alarm and Sprinkler System Maintenance			
Parking			
Security Services			
Employee Services			
Emergency Response Services			
Snow Plowing			
Labor Costs			
Supplies			
HVAC/Ventilation/Air Conditioning Repairs			
Elevator Services Costs and Repairs			
Cleaning			
Other (specify):			
Other (specify):			
Other (specify):			
Total:			

Use the equation below to find your proposed monthly increase per unit:

$$\frac{\dfrac{(Total\ Change\ in\ Housing\ Service\ Costs/}{Number\ of\ Units)}}{12\ Months} = Proposed\ Monthly\ Rent\ Increase$$

Notes:

- Please attach copies of invoices, receipts, canceled checks and other documents to verify the cost of housing service increases. Please arrange these in the order they appear on this worksheet, and number each page.
- Without Rent Board approval, no total Rent Increase (considering CPI, Tax Rate Rent Adjustment, New Tenant increase, Banked Rent, and Board-approved increases for capital improvement costs, uninsured repair costs, increased housing service costs, and fair rate of return) for a given year may exceed 10% of the prior year's rent. Any cost of housing service increases which would cause the total rent increase to exceed 10% may be banked for an increase in a subsequent year.
- Any proposed increased housing service cost rent increase must be approved by the Rent Board.

CITY OF PORTLAND
LANDLORD APPLICATION FOR RENT INCREASE SUMMARY

Date of Hearing:
Wednesday, December 1, 2021

Landlord Name and Address:
Shepley LLC
82 Hanover St, Ste 5
Portland, ME 04101

Owner Name and Address:
Same as above

Landlord's Representative
Thomas Watson, Manager
Shepley LLC
82 Hanover St, Ste 5
Portland, ME 04101

Property Address, Unit, and CBL:
18 Casco Street - See attached spreadsheet for Unit #s
037-C-006-001

Tenants/Interested Parties:
See attached spreadsheet.
Unit B is vacant.

Type of Request:
Renovation of a unit or Reconfiguration of one or more units (6-233(c))

Base Rent:
See attached spreadsheet

Current Rent:
See attached spreadsheet

Proposed Rent:
See attached spreadsheet

Number of Bedroom(s)/Number of Bathroom(s):
See attached spreadsheet

Summary of request:

The Landlord has provided an estimate of $628,181.00 for renovations to 38 of the 62 units at the property that include:

Kitchen: Cabinets, countertops, appliances, faucet & sink
Ceiling improvement
Hardwood Install & Refinishing
Ceiling Improvement
Vanity
Mirror & Medicine Cab
Tile Floor, Shower replacement
Electrical: Upgrades, Light fixtures
Painting
Demo & Disposal

This was tabled from the last Rent Board meeting in October.

Unit #	Exemption	Base Rent	Current Rent	Proposed Rent	Number of Bedrooms	Number of Bathrooms
1		$1,700.00	$1,700.00	$1,950.00	2	1
3	Exempt from Rent Control	$850.00	$850.00	$1,100.00	0	1
4		$900.00	$945.00	$1,150.00	0	1
6		$1,100.00	$1,155.00	$1,300.00	0	1
21		$800.00	$800.00	$1,100.00	0	1
22		$1,210.00	$1,210.00	$1,450.00	1	1
23A		$900.00	$900.00	$1,200.00	0	1
24		$1,200.00	$1,200.00	$1,500.00	1	1
26		$1,100.00	$1,100.00	$1,200.00	0	1
32		$825.00	$825.00	$1,050.00	0	1
32A		$1,290.00	$1,355.00	$1,500.00	1	1
34A		$1,025.00	$1,025.00	$1,200.00	0	1
35A		$1,150.00	$1,150.00	$1,300.00	0	1
36		$1,005.00	$1,005.00	$1,200.00	0	1
36A		$950.00	$950.00	$1,300.00	0	1
41A		$1,250.00	$1,313.00	$1,500.00	1	1
42		$800.00	$800.00	$1,050.00	0	1
42A		$1,300.00	$1,300.00	$1,500.00	1	1
43A		$975.00	$975.00	$1,200.00	0	1
44		$1,155.00	$1,155.00	$1,450.00	1	1
45A		$1,050.00	$1,050.00	$1,300.00	0	1
46		$900.00	$900.00	$1,200.00	0	1
51A		$1,200.00	$1,230.00	$1,500.00	1	1
52		$825.00	$825.00	$1,050.00	0	1
52A	Exempt from Rent Control	$1,225.00	$1,225.00	$1,500.00	1	1
54		$1,222.00	$1,085.00	$1,450.00	1	1
54A		$1,000.00	$1,000.00	$1,200.00	0	1
55A		$1,125.00	$1,204.00	$1,300.00	0	1
56		$1,000.00	$1,000.00	$1,200.00	0	1
62		$1,175.00	$1,175.00	$1,450.00	1	1
62A		$1,300.00	$1,300.00	$1,500.00	1	1
63A		$1,100.00	$1,155.00	$1,200.00	0	1
64A		$1,025.00	$1,025.00	$1,200.00	0	1
65A		$1,125.00	$1,181.00	$1,300.00	0	1
66		$1,050.00	$1,050.00	$1,200.00	0	1
66A		$1,160.00	$1,160.00	$1,300.00	0	1
B		$1,000.00	$900.00	$1,400.00	1	1
C		$950.00	$950.00	$1,400.00	1	1

I still have concerns about the illegal electrical work done by Mr. Profenno. I have been asking the city, since the last Rent Board meeting, for information related to this. In particular, a notice of code case violation was issued for this property on 9/14/2020 regarding the use of Mr. Profenno and unlicensed and unpermitted electrical work. In the NOV it states...

"All other work within the city that was conducted without permits and by this same electrician will need to be identified, permitted by a Master Electrician and verified for compliance."

I have requested, and have been waiting on, information related to this.
I am again asking for the results and findings of that.
I want to know exactly which buildings were identified, the dates that the unpermitted work was done, as well as what specific work was done.
I also would like to know what corrective action was taken, who the Master Electrician was who verified the compliance, as well as the date of that corrective action.

I think this information may be relevant to this proposal, because the most costly part of this proposal is the "Electrical Upgrades" at $118,338 of the total work. If these upgrades need to be done, either for safety or to correct the violations within the previous unlicensed work, then this is not a justifiable reason for Mr. Watson to break the rent control ordinance. It is unfortunate that after a month, and especially in time for this month's Rent Board meeting, that I have not been able to retrieve that information from the city.

There are multiple examples in the proposal for which almost no work is being done.

For example, unit 42a proposes only that electrical repairs be done. The total cost for this unit's repairs is $3901, however this proposal requests a $200/mo increase in perpetuity. Certainly, this does not qualify as a renovation which can break rent control. Batching all of the increases into one proposal, as was done here, masks illegitimate rent increases in an attempt to trick the board into approving "renovations" for units that are clearly not being renovated. This also occurs at unit 32a, for example.

I ask the board to take all units into consideration individually, to verify that the work done for each unit does constitute legitimate reasons to increase rent beyond that which is allowed in the ordinance. This came up last month when a board member asked Mr Watson if all the units needed about the same amount of work. Mr Watson incorrectly replied that they did, however the proposal indicates otherwise. I ask that the board please verify the level of work done at each unit individually, near to the time it becomes vacant.

I also have concerns about the current tenants of this building. In last month's meeting, Mr. Watson indicated he would wait until a tenant left before working on the units so that it would not increase any current tenant's rent. As an individual who faced a no cause eviction from Mr.Watson so that he could immediately turn around and rerent at a 7% increase, I ask that the board require that all tenants who vacate the premises do so voluntarily. That is, the only evictions allowed are to be "for cause" only. Otherwise, Mr Watson will start serving Notice to Quit letters to any tenant whose lease is set to end or is currently at will, just as he did to me. Please don't let him kick people out so that he can raise the rent.

I have further concerns with the registration of the property. The city has distributed the rental registration logs for the entire city. For this property I only see 33 of the 68 units in the building are registered (submitted to the city on Oct 14 2021) and in many of the cases those unit numbers reported to the city do not align with those in this proposal. Immediately following, is the city data to compare to Mr. Watson's proposal.

I would like to ask why the information provided to the city versus what is in this application is so different and incomplete.

Furthermore, within Mr. Watson's own proposal, many of the numbers do not make sense. For example, the current rent at unit 54 is claimed to be $1085, but also says the base rent is $1222. I would like to know why the base rent is higher than the current rent. This occurs for unit B as well where the base rent is $1000, yet the current rent is $900.

Timestamp	Parcel#	Unit	Exemption	Jun2020	Jan2021	
Timestamp	Please provide you	What is the number of	Is this unit:	What was tł	What was t	Ja
10/14/2021 9:36:12	037C006001	202	A unit whose rent			
10/13/2021 13:38:46	037C006001	52	None of the abov	825	825	
10/14/2021 9:02:34	037C006001	52	None of the abov	825	825	
10/14/2021 9:03:40	037C006001	52A	None of the abov	1225	1225	
10/14/2021 9:04:34	037C006001	53	None of the abov	1100	1100	
10/14/2021 9:05:25	037C006001	53A	None of the abov	1222	1222	
10/14/2021 9:06:15	037C006001	54	None of the abov	1085	1085	
10/14/2021 9:07:02	037C006001	54A	None of the abov	1000	1000	
10/14/2021 9:07:54	037C006001	55A	None of the abov	1125	1125	
10/14/2021 9:08:44	037C006001	56	None of the abov	1000	1000	
10/14/2021 9:09:29	037C006001	56A	None of the abov	1225	1225	
10/14/2021 9:12:06	037C006001	61	None of the abov	1150	1150	
10/14/2021 9:13:00	037C006001	62	None of the abov	1175	1175	
10/14/2021 9:13:52	037C006001	62A	None of the abov	1300	1300	
10/14/2021 9:14:33	037C006001	63A	None of the abov	1100	1100	
10/14/2021 9:15:13	037C006001	64	None of the abov	1278	1278	
10/14/2021 9:15:56	037C006001	64A	None of the abov	1025	1025	
10/14/2021 9:16:46	037C006001	65A	None of the abov	1125	1125	
10/14/2021 9:17:32	037C006001	66	None of the abov	1050	1050	
10/14/2021 9:18:23	037C006001	66A	None of the abov	1160	1160	
10/14/2021 9:19:09	037C006001	A	None of the abov	1139	1139	
10/14/2021 9:19:49	037C006001	B	None of the abov	1000	1000	
10/14/2021 9:20:34	037C006001	C	None of the abov	950	950	
10/14/2021 9:23:20	037C006001	103	None of the abov	1100	1100	
10/14/2021 9:24:35	037C006001	104	None of the abov	1000	1000	
10/14/2021 9:26:30	037C006001	106	None of the abov	1000	1000	
10/14/2021 9:27:18	037C006001	107	None of the abov	895	895	
10/14/2021 9:28:22	037C006001	108	None of the abov	955	955	
10/14/2021 9:29:03	037C006001	109	None of the abov	1125	1125	
10/14/2021 9:30:46	037C006001	111	None of the abov	1125	1125	
10/14/2021 9:31:29	037C006001	112	None of the abov	900	900	
10/14/2021 9:32:52	037C006001	114	None of the abov	1000	1000	
10/14/2021 9:38:58	037C006001	204	None of the abov	1125	1125	

Finally, I would like to compare the Shepley to The Hiawatha (both owned by Port Property).
In the case of the Shepley, the proposal is asking to reset the rents to $1300 for a studio, $1500 for a 1bdrm, and $2000 for a 2bdrm.
At Hiawatha, studios are currently rented for about $1200-$1300, $1300-$1500 for a 1bdrm, and $2300-$2500 for a 2bdrm. (Top floors do tend to go higher than this).
The rent levels proposed for Shepley edge very close to those, and in some cases exceed, those at Hiawatha. Surely the latter is a much newer building with amenities including parking, balconies, a lounge, an onsite office, air control, washers and dryers, and a gym. Certainly, the upgrades to the Shepley will not afford the building similar amenities as the luxury Hiawatha does.

Increasing the rent at Shepley to Hiawatha levels must require that similar amenities be included. If those amenities are not included, the fair market value of those units at Shepley should be far less than Hiawatha's. If increases at Shepley are approved, Mr. Watson will likely be coming to the rent board in future months, requesting that he be able to increase the rent at Hiawatha too.

CITY OF PORTLAND
LANDLORD APPLICATION FOR RENT INCREASE SUMMARY

Date of Hearing:
Wednesday, December 1, 2021

Landlord Name and Address:
MAS Assets LLC
PO BOX 2112
South Portland, ME 04106

Owner Name and Address:
Same as above

Property Address, Unit, and CBL:
1060 Forest Ave, Floor 1 and Floor 2
CBL: 146-B-012-001

Tenants/Interested Parties:
Both units listed

Type of Request:
Renovation of a unit or Reconfiguration of one or more units (6-233(c))
Capital improvement costs, including financing costs (6-234(b)(5)(a))

Base Rent:
See attached spreadsheet

Current Rent:
See attached spreadsheet

Proposed Rent:
See attached spreadsheet

Number of bedroom/bathroom:
See attached spreadsheet

Summary of request:

The Landlord has provided an invoice from Cimino Construction in the amount of $35,550.00 that includes:

Paint & repair front porches
Paint all stairwells
Repair masonry stairs
Add vinyl planking flooring on all stairwells
Install new lighting stairwells exterior
Repair exterior door openings, replace screen doors

The Landlord also provided numerous miscellaneous receipts that total $8,524.05 for items such as:

Batteries
Patio Furniture
Fire pit stones
Mailboxes & keys
Chandeliers
Carpentry Supplies
Outside Doors
Doorknobs
Outside door plates and shades
Cellar cleanouts
Stain for stairways and landings
Paint

The grand total of receipts is $44,074.05.

$23,750.00 of that is broken down on the Capital Improvement Cost worksheet.

1060 Forest Ave						
Unit #	**Exemption**	**Base Rent**	**Current Rent**	**Proposed Rent**	**Number of Bedrooms**	**Number of Bathrooms**
1st Floor Unit	N/A	$1,450.00	$1,450.00	$1,650.00	2	1
2nd Floor Unit	N/A	$1,450.00	$1,520.00	$1,650.00	2	1

1060 Forest Ave - Written Public Comment

The property is now registered (correctly?) with the city.
It appears the 2nd floor unit has a reduced rent from what was reported last month.
Great news!

Can the applicant confirm that this tenant is a new tenant (starting renting after June 2020) and has had the current rent reduced to a less than 5% increase (current at $1520)?
How many months worth of refund did that tenant receive, and what was the total reimbursement?
[It should be $130 per month since they started renting]

None of the construction, as far as I can tell, is performed inside of a tenant's unit, i.e. a "covered unit". All of the work is done to common space or building exterior. This is not a renovation or reconfiguration in any sense. Some of these improvements surely do represent capital improvements. Others, however, are more of a general maintenance or repair and can not be considered either a capital improvement or renovation.

Examples of things that are not capital improvement or renovation:

- Batteries
- Mailboxes and Keys
- Carpentry Supplies
- Doors and Doorknobs
- Cleaning
- Paint/Stain

If any work needs to be done to keep the place livable, such as having doors or a mailbox, that is not a capital improvement. You must just do this work as a responsibility of a landlord, that is the job. You also need the tools to do such work. These are not justified reasons to ask to break rent control.

I ask that the board look at every receipt with scrutiny. Last month, I recall there were some Laptop repairs also included in there. Please ensure that the items which are being used to increase peoples' rents are wholly legitimate.

CITY OF PORTLAND
LANDLORD APPLICATION FOR RENT INCREASE SUMMARY

Date of Hearing:
Wednesday, December 1, 2021

Landlord Name and Address:
Anadilya Properties LLC
202 Us Rte 1, Ste 206
Falmouth, ME 04105

Owner Name and Address:
Same as above

Landlord Representative:
Kirsten Martin, Foreside Real Estate Mgmt
202 Us Rte 1, Ste 206
Falmouth, ME 04105

Property Address, Unit, and CBL:
21 Pleasant Street, Unit 2
CBL: 038-E-024-001

Tenants/Interested Parties:
Vacant unit

Type of Request:
Renovation of a unit or Reconfiguration of one or more units (6-233(c))
Capital improvement costs, including financing costs (6-234(b)(5)(a))

Base Rent:
$900.00

Current Rent:
Vacant

Proposed Rent:
$1,600.00

Number of bedroom(s)/Number of bathroom(s):
2 bedrooms/1 bathroom

Summary of request:

The Landlord is applying for two rent increases as listed above. An estimate has been provided in the amount of $16,250 that covers:

- -Remodel of the bathroom
- -New heating system
- -Exterior storm windows/doors
- -Interior kitchen modernization and flooring
- -Other miscellaneous items

With a completion date of “to be determined”.

I have lived right next door in similar old brick buildings (two times in fact). Heating the place was near impossible and very expensive. It was a horror story when I paid for it, and I imagine so if the landlord does. I wonder if a significant portion of this proposal is related to making sure this place is tightened up for heating purposes in a similar vein.

It would be informative to know how much of the proposal is related to "-New heating system" and "-Exterior storm windows/doors". If the work being done is necessary so that the apartment is a reasonable temperature and does not excessively lose heating, this is certainly not a renovation and may be more in line with a capital improvement.

Can the board see the heating costs and history for this unit for the past 7 years? If this is a project to reduce heating costs, that is great, but it should be judged a capital expense in that case.

The application says the unit is vacant, but HSO logs indicate it had a tenant as recent as Jan2021.
How long has the place been vacant? Did the tenant voluntarily leave, or was a notice to quit served?

An open code case violation from 2018 is identified in LTR1800226.

Code Case Number: LTR1800226

Code Case Details | Tab Elements | Main Menu

Code Case Type:	Long Term Residential	**Opened:**	05/16/2018	**Closed:**	
Status:	Inspection Scheduled	**Project Name:**		**District:**	N/A

Locations Fees Inspections Attachments Contacts Holds More Info Violations

Existing Inspections | Request Inspections | Next Tab | Code Case Details | Main Menu

Existing Inspections

Sort Description

View Inspection	Description	Status	Request Date	Scheduled Date	Inspector	Action
LTRIN-002215-2018	Long Term Rental Registration Inspection	In Violation	05/16/2018	05/23/2018	Sarapas Matt	
LTRIN-010393-2018	Long Term Rental Re-inspection	In Violation	11/09/2018	11/20/2018	Sarapas Matt	

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A Nov 20 2018 Notice of Violation is located in the second failed inspection.
Did HSO follow up on these? Open code violations from 2018 are extremely common in city records. Why? Was the property properly registered?

An increase of $700 per month (78%) in perpetuity does not seem justified given the cost and scope of the project. Assuming the full estimated cost of $16,250, the increase would pay the cost off in about 23 months. It seems likely that much of this project, especially related to heating and windows, is more related to capital improvements to keep the building livable and should more probably have those costs recovered on a schedule more closely related to the life of the windows and flooring. Suggestions in cost recovery table below. In any event, stick to 10% cap and bank the rest.

Cost Recovery Table	5yr / 60mo	10yr / 120mo	25yr / 300mo
$16,250 (estimate)	$270.83/mo (30%)	$135.42/mo (15%)	$54.17/mo (6%)

CITY OF PORTLAND
LANDLORD APPLICATION FOR RENT INCREASE SUMMARY

Date of Hearing:
Wednesday, December 1, 2021

Landlord Name and Address:
Paul Taylor
10 Wolf Creek Dr
Windham, ME 04062

Owner Name and Address:
Same as above

Property Address, Unit, and CBL:
44 Sawyer Street, Unit 1
138-A-010-001

Tenants/Interested Parties:
Vacant

Type of Request:
Renovation of a unit or Reconfiguration of one or more units (6-233(c))
Increased housing service costs (6-234(b)(5)(c))

Base Rent:
$1,600.00

Current Rent:
Vacant

Proposed Rent:
$2,200.00

Number of bedroom/bathroom:
3 bed/1 bath

Summary of request:
The Landlord states that when the unit became vacant, the hardwood floors were done, repainted all rooms, put in a new refrigerator, dishwasher, microwave, and carpets on the stairways.

The Landlord has provided receipts for:

- Removal & disposal of 2 oil tanks - $350.00
- Hardwood floor - $2,200.00
- Miscellaneous receipts totaling - $1,834.62
  - Home Depot
  - USPS
  - Maine Hardware
  - Aubuchon
  - Riverside Recycling
  - Etc

Grand total of receipts is $6,219.24

44 Sawyer St - Written Public Comment

BLDG2103614, a recent code violation has two inspections associated
COMPL-064624-2021 and COMPL-064993-2021

Code Case Number: BLDG2103614

Code Case Details | Tab Elements | Main Menu

Code Case Type:	Complaint	**Opened:**	09/27/2021	**Closed:**	10/12/2021
Status:	Closed - Resolved	**Project Name:**		**District:**	N/A

Locations Fees Inspections Attachments Contacts Holds More Info Violations

Existing Inspections | Request Inspections | Next Tab | Code Case Details | Main Menu

Existing Inspections

Sort Description

View Inspection	Description	Status	Request Date	Scheduled Date	Inspector	Action
COMPL-064624-2021	Building/Land Use Inspection for complaints	In Violation	09/27/2021	09/30/2021	Sarapas Matt	
COMPL-064993-2021	Building/Land Use Re-inspection	Passed	09/30/2021	10/12/2021	Sarapas Matt	

Results per page 10 **1-2 of 2** << < 1 > >>

During this, the 2021 rental applications (for both units on the property) were applied for. The LTR application was 10/6. They passed the following inspection.

Did this violation concern a complaint about the lack of registration?
Was the place properly registered from 2016 to present? I see nothing for 2017+, and typically can.

The application indicates that the base rent is $1600 and that it is currently vacant.
However, the city rental registration logs say that the unit was vacant in June2020 (no base reported) and set Jan2021 rent level at 1600.

Is this just transposed data in the HSO records?
Or was the unit vacant in June2020, then occupied through Jan2021, and is now recently vacant again?
How long has the place been vacant? Did the tenant voluntarily leave, or was a notice to quit served?

The total of receipts provided is only **$4,384.62 not $6,219.24.** Furthermore, even at $6219.24, the proposed rental increase of $600 would completely pay the cost off in less than 11 months. An increase of $600 (37.5%) in perpetuity does not seem justified given the cost and scope of the project. Perhaps it is more appropriate to recover that over a time period more reasonable to the expected duration of use of the flooring and appliances. Suggestions in cost recovery table below. In any event, stick to the 10% cap and bank the rest.

Cost Recovery Table	5yr / 60mo	10yr / 120mo
$4384.62 (receipts)	$73.08/mo (5%)	$36.54/mo (2%)
$6219.24 (claimed)	$103.65/mo (6%)	$51.83/mo (3%)
