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Rent Moratorium Shelved for Troubled Complex

By Cathy Tyson



At the playground structure at the 1038 on Second apartment complex, management would prefer that bikes and skateboards stay off the walkways. Photo C. Tyson

representatives to the bargaining table, it became clear that actually establishing a rent increase moratorium could adversely affect many of the reputable mom and pop landlords in Lafayette.

Acknowledging that since the complex changed hands, there have been three property managers, Nancy Wierdsma, director of property management, thanked residents for meaningful feedback, and outlined the following compromises agreed to by Sack Properties: limiting rent increases to no more than 10 percent annually and honoring grandfathered pet rent and parking agreements; and not changing Section 8 agreements made by the previous owner. "Our goal is to continue to build trust," she said, explaining that the firm is "committed to working directly with residents."

Trust-building may take some time. Resident Karen Kern lamented the poor level of Sack Properties' customer service. "It's a little disheartening that it took all that effort just to get a meeting with them," she said. "We shouldn't have to come to the city council multiple times in 10 months to advocate for help."

"We don't have a whole lot of faith when they come up and say this is what we are doing - because we haven't seen it yet," said tenant Peggy Pricco. Reviews for the complex as well as the property management team could not be any lower on social media.

Wierdsma called the newly imposed utility fees "industry standard" at a recent community meeting; Sack Properties had arranged for a representative from the third-party billing organization to clarify at the holiday meet-and-greet community meeting exactly how water and garbage rates were set for each unit. The buildings are not individually metered.

There was a substantial amount of deferred maintenance at the complex, which the new owner is now addressing. Seismic improvements have been made, and there is now a fitness center, a lounge, barbecues and better landscaping. Although physical improvements have been made, and communication is heading in the right direction, there is still a reluctance by management to

Noting the recent improvement in discussions between tenants and management of the 1038 on Second apartment complex, Lafayette City Council members, at their Jan. 25 meeting, wished them well and opted to continue to table the rent increase moratorium they had been considering. After taking over ownership of the aging development in February 2015, many long-term tenants faced steep rent increases along with additional new charges for water, sewer and garbage, and were continually frustrated by unresponsive property management staff.

Angry tenants brought their case to the city council in May 2015, asking them to intercede on their behalf because management appeared to be tone deaf to their complaints. While the city has never gotten involved in tenant-landlord disputes before, tenants' pleas spurred them to take action, calling the situation "abusive." While discussions of a rent moratorium ultimately brought Sack

recognize the tenants' association.

Council member Don Tatzin pointed out that newly billed utility charges, when added to the base rent that has been increased a maximum of 10 percent per year, has the tenants paying more than just the 10 percent bump.

Wierdsma told the city council that more clarification on some topics that had caused friction in the past has been discussed. "We are not endeavoring to evict tenants for not cleaning their toilets." She emphasized current efforts at open communication, with senior team members participating in the community meeting to show their resolve.

Although many city council members have had discussions with Sack Properties personnel, this was the first public meeting where an actual representative showed up. Vice Mayor Mike Anderson appreciated everyone's effort in attending and acknowledged that the housing situation in the Bay Area in general is very difficult. He has seen that many local "landlords are not interested in pushing out their tenants," but that clearly this situation improved only after threat of a rent moratorium. His advice? "You need to talk to each other."

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