

Redwood City: Tenants protest large rent hikes at two apartment buildings

20 low-income families face up to 45 percent monthly increases next month, with many saying that will force them out of their homes



Tenants at two Redwood City apartment buildings who are facing large rent hikes next month and supporters protest outside the new owners' offices Tuesday, Jan. 9, 2018. All of the tenants are low-income residents and say the increases will force them out of their homes. (Eric Davidove / Daily News)

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Tenants at two Redwood City apartment buildings say rent increases of up to 45 percent next month will force many of them to move out.

Twenty families living in apartments at 1207 Hopkins Ave. and 1404 Regent St. were informed on Dec. 1, two days after the apartments were sold to a new owner, that their monthly rents would jump by \$500 to \$850 starting Feb. 1. In response, roughly half of

the tenants formed a tenants' association and held a protest Tuesday night to demand more modest rent increases.

The other 10 or so families are not fighting the rent hikes.

Juan Mendoza, who has lived at 1404 Regent for more than eight years with his partner and two children, said his rent will rise from \$1,858 to \$2,650 next month, almost 43 percent.

“It came as a total shock,” Mendoza said. “We’ve ... paid our rent on time and been good tenants. It’s unjust that someone can swoop in and price us out of our home on only 60 days’ notice. We are willing to pay an increase, we understand that this is their business. But it should be a reasonable rent increase, not an increase of over 40 percent. I got a raise at work this year, but it’s only 3.5 percent. Where am I supposed to get the rest of the money to pay this rent increase?”

Sandy Hernandez, who lives at 1207 Hopkins Ave. with her ex-husband and two school-aged children, is facing the largest hike — \$852, or 45 percent more a month.

“It’s so stressful,” Hernandez said. “I was already stretched raising my two children, working two jobs, cooking for my family, keeping the house clean. ... We can’t afford this kind of rent increase. I worry that we’ll have to move out of the community that we know and love. I worry about the impacts on our children. What if we have to move far away to find an affordable home?”

“The kids would have to change schools in the middle of the year and that would impact their education and their futures. Has the landlord even thought about what this means for the children?”



Rafael Avendano, director of the Siena Youth Center of the St. Francis Center of Redwood City, speaks during the protest Monday, Jan. 9, 2018. (Eric Davidove / Daily News)

Roughly 50 people, including Mayor Ian Bain and Councilwoman Janet Borgens, showed up to the protest outside the offices of the landlord and management company at 1526 Stafford St. It was organized by Community Legal Services of East Palo Alto, a nonprofit that provides free legal assistance to low-income families throughout the region, and the St. Francis Center of Redwood City, which supports low-income families in the North Fair Oaks area.

The new owners, identified at CREI, LLC and Menlo Gate Group Two Holding, LLC, purchased the buildings on Nov. 29 for a combined \$8,550,000 — or \$425,500 per unit — according to a news release. Jesshill E. Love III is listed as the registered agent for both LLCs and Redwood Landing Properties is the property manager for both buildings.

According to Community Legal Services and St. Francis Center, recent attempts to contact the owner and property manager to sit down for negotiations have not been answered. The only communication regarding the possibility of lowering the rent hikes came from Love, who said, “Wish I could help you, but we have to raise these rents,” according to Daniel Saver, a senior attorney with Community Legal Services.

Mayor Bain said he reached out to the property manager on Wednesday to see if an agreement could be reached on a lesser hike, but was unable to reach a representative.

A person at the company office told The Daily News on Wednesday that a request for comment would be forwarded to the proper person but no one has yet called back or emailed.

Bain said he supports the tenants and their concerns.

“This is a serious crisis,” Bain said. “We’ve had other situations like this. ... We can’t continue to have these kinds of conversations on a one-on-one basis. ... We have to get really serious about this because this is a continuing problem for our community.”

Bain said he isn’t sure whether the city will be able to assist the tenants before the rent increases take effect.

“In terms of the current ordinance, if they’re not in violation, it’s really going to be up to the landlord to do something out of good will,” he said.

Saver referred to the situation as textbook “speculative displacement,” where property owners and banks “work together to churn the wheels of displacement.” The building purchases were financed in large part by two loans from First Republic Bank, which has

faced criticism for financing Ellis Act evictions in San Francisco, according to the news release. He said if the bank knew the loans were going to result in tenants being forced out, they carry some responsibility as well as the new owners.

“This case is unfortunately not unusual (but) it cuts against the narrative that the problem with housing is supply and demand,” Saver said. “This case highlights the broader problem of speculation that is fueling displacement throughout the Bay Area.”