

**From:** [Romeo Arrieta](mailto:romeo@marinrealtors.org)  
**To:** [City Clerk](mailto:cityclerk@cityofflarkspur.org)  
**Subject:** [Re: Unintended consequences: fewer units for rent](#)  
**Date:** Monday, May 22, 2023 5:29:31 PM  
**Attachments:** [romeo011.png](#)

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**From:** Romeo Arrieta <[romcoo@marinrealtors.org](mailto:romcoo@marinrealtors.org)>  
**Date:** May 22, 2023 at 4:54:05 PM PDT  
**To:** [cityclerk@cityofflarkspur.org](mailto:cityclerk@cityofflarkspur.org)  
**Cc:** Gabe Paulson <[gspaulson@cityofflarkspur.org](mailto:gspaulson@cityofflarkspur.org)>  
**Subject:** Unintended consequences: Fewer units for rent

Dear Mayor Paulson and Council,

In previous public comments I mentioned that rent control policies had the negative effect of taking rental units off the market. These are stories that I've heard from REALTORS.

Keep in mind that many REALTORS in Marin represent the owners of a handful of rental units. These are not the owners of large apartment buildings. I ask council to consider the impact on local Mom & Pop rental housing providers who may own a duplex or have 1, 2, or 3 properties that they offer for rent.

Many policies controlling rent properties have unintended consequences and I'd like to share some real world examples from the town of Fairfax

1 a. First one was the duplex listed by a REALTOR in Fairfax. Priced very well, immaculate side-by-side duplex, each 2BR/1BA, well-maintained, each with private yard, sun, walk to town. Premium property. Owners listed for sale because of rent control, they were terrified of all the rent control restrictions. They told the REALTOR they wanted to find an investor so their long-term tenants could stay in place. There were plenty of showings and interest. A total of 11 investors expressed interest in this turn-key property. Every single one of them dropped out when they learned of Fairfax rent control. Ultimately got two offers, each from owner-user who would move in. One rental unit lost here.

1 b. The other duplex sold last month was owned by the same family for perhaps 5 decades. Both tenants were very long-term tenants. One set of tenants gave notice they were moving back to another state. So owners, not wanting to put new tenants in there under rent control, decided to put the house on the market. Buyer is a single parent, who is going to move into the soon-to-be-vacant unit and ultimately wants to use the entire building for their family. Thus two rental units lost here.

**Conclusion:** These policies resulted in fewer rental units to be available. OR...of the 4 total units that became available directly because of rent control, only one is going to remain a rental...three total units lost.

2. Duplex near Deer Park Villa. A REALTOR worked with owner a 2-unit building who has owned since the 1970s. They had a difficult tenant in the upstairs unit who was damaging the place, and the owner reached a settlement with the tenant which resulted in the tenant leaving. Owner spent \$50k cleaning it up and was going to re-rent it. Then rent control passed. It had cost the owner \$20k to reach the settlement with the previous tenant including legal and buy-out fees. The owner is reluctant to re-rent the place. Owner has been occasionally renting it as a Short Term Rental, but mostly it's been vacant since last August. Owner will not be re-renting it to a regular tenant.

There is currently a repeal petition in Fairfax. The owner is holding out for rent control repeal election. If it gets repealed she will then rent it; otherwise, if rent control stays she will sell the building, and the upstairs unit will more than likely appeal to an owner-user with its premium location. Another rental unit would be lost.

3. Widowed, health worker carved up part of the home into an ADU, but was just finishing up but when rent control passed. Decided to not rent it as owner is anxious of the just cause eviction ordinance and not being able to get rid of a bad tenant. That unit sits empty right now.

4. Widowed owner has run something of a communal living situation, with very affordable units/rooms for maybe 8 tenants. It ends up being transitional housing for some of the most vulnerable, and there is always a lot of comings-and-goings. Owner hasn't re-rented any of the spots since rent control, and now only has one of eight possible slots filled. Owner will not be re-renting, and is considering selling.

5. Homeowner has an ADU. Tenant didn't pay rent during the pandemic, it was very expensive for them. Tenant has recently started paying rent again, but one tenant leaves, owner will not re-rent it. Owner believes there is too much risk with current policies. That unit will be lost.

6. Duplex owner's tenants recently moved out. Owner is converting the unit to Short term rental via the town's legal ordinance to do so. Another rental unit lost.

As you can see, one of the unintended consequences of the rental restrictions has been the reduction of units available for rent. This is particularly acute for people who are providing one or 2 units for rent. This is a different scenario than the owner of a large multi-unit rental complex.

Thank you,

Romeo Arrieta, RCE, AHWD



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