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Rent Board Chair Chides Control Foe's 'Rant'

By MAX ANDERSON (05-25-04)

The season of political sophistry is well underway in Berkeley as it is across the nation. Evidence of this can be seen in John Koenigshofer's less than rational, less than honest anti-rent control rant. The latest thoughtless tirade appeared on the op-ed page in the weekend edition of May 11-13. Mr. Koenigshofer signed his piece as "a Berkeley resident." Perhaps modesty prevented Mr. Koenigshofer from revealing that he is a Berkeley landlord and realtor who works out of George Oram's firm, one of Berkeley's largest real estate interests.

Let's examine this latest diatribe one strawman at a time:

1. That the Rent Stabilization Program is "counterproductive and unfair." Our program effectively and fairly advances the mission and goals of the ordinance, which was passed overwhelmingly in 1980 by the voters of Berkeley and has withstood every legal and electoral challenge since. Berkeley has had a chance to experience what Mr. Koenigshofer and his cohorts consider "fair," such as fraudulent owner move-ins corrected by Measure Y which voters approved in 2000; in the early 1990s when real estate interests controlled the Rent Stabilization Board(RSB), rents were jacked-up nearly 50 percent. Fairness?

2. Mr. Koenigshofer wants the RSB to fund social service and affordable housing programs with our resources. An annual per-unit registration fee that is collected yearly funds the program. The present registration fee is \$136 per unit. This is the same level that was in effect 1991. Well, certainly he knows that by law the RSB funds are restricted and therefore cannot be used for purposes other than fulfilling the requirements of the ordinance and the associated regulations. Even more substantive is the fact that Rent Stabilization Program is the largest and most effective affordable housing program in the city. Is this more deception or ignorance?

3. It has long been a staple of landlord lore that tenants in Berkeley should be means tested. Apparently Mr. Koenigshofer is not deterred by the concerns regarding illegality and irrationality of this proposal. What did silence the proponents of this Ashcroftesque invasion of privacy, was the counter suggestion that rental property owners be means tested to determine if profits in excess of a "reasonable return" on their investment are being realized. And that any excess profits be returned to renters. Its worth noting that based on 2000 census data that the median income for homeowners was \$80,324 (one could reasonably expect many landlords faired even better), while the median income for households headed by tenants (excluding students) was \$27,241.

4. Then Mr. Koenigshofer finally gets down to his real mission: "Rent control is not needed." Well, without it what would Berkeley look like? The disabled, the elderly, the working poor, racial, cultural and economic diversity would be a thing of the past. Thankfully a sizable majority those who live and vote in Berkeley respect and embrace the diversity of our city and are unwilling to sacrifice the character of our city on the alter of economic greed.

5. Finally, Mr. Koenigs-hofer's disdain for the ordinance is only exceeded by his disregard for the facts. He asserts in his letter that "every member of the Rent Board receives the benefit the of rent control." The fact of the matter is that of our nine-member board only two commissioners live in units that fall under the control of the ordinance.

While they may not be a reliable source of accurate information, I have no doubt small number of real estate ideologues will continue their distorted attacks on rent control. However, I'm equally confident that the electorate in Berkeley will continue to see through these paper-thin attempts to undermine the protections that rent control offers.

Max Anderson is chair of the

Rent Stabilization Board.