



December 11, 2018 Item No. 25

Dear Supervisor,

Representing tenants and fighting for their rights all these years, we have come to believe that one of the most important jobs for us is to protect the integrity of the Rent Board. In doing that job, we have even found ourselves working in concert with some landlord groups on several occasions:

We thought that electing the Rent Board would take the stabilization out of Rent Stabilization and we opposed efforts to make it an elected board.

When a proposal surfaced to change the composition of the Rent Board so that it would have a majority of tenant representatives, creating a lopsided Board, we opposed that as unfair and detrimental to the integrity of the Rent Board.

We don't have a problem with Mr. Panzer. I am not personally familiar with him. But I do think someone needs to look out for him as he seems to be being set up to be in violation of State Law on Incompatible Activities and the corresponding local law. More importantly to us, someone needs to look out for the integrity of the Rent Board.

The wording of the State Law (Gov. Code 1126) as well as the local law that implements it would seem to be exactly on point and to preclude exactly Mr. Panzer's activities as Incompatible.

This is not a "conflict of interest" analysis. It is a different analysis because it is a different law. But the heart of the matter is that the activity he is engaged in, providing "all inclusive property management" services to other landlords (annual rent increases, O&M and Capital Improvement pass-throughs, maintenance, services, tenant relationship management, among others listed on his website) puts him completely under the jurisdiction of the very Board he aspires to join as a commissioner. State Law and the corresponding Rent Board Statement of Incompatible Activities clearly prohibit this.

We have tread gingerly here because, historically, landlord advocacy groups have put forward candidates for the jobs of Landlord Commissioner, as tenant advocacy groups have put forward candidates for the jobs of Tenant Commissioner, without interference from each other. And this process too has helped build the integrity of the Rent Board. And that makes this situation a bit awkward.

So the problem here is not that the appointee is a landlord. He is supposed to be a landlord. But he cannot be a landlord, or anyone else, who is the business of all inclusive property management where everything he does is subject to the jurisdiction of the board or commission on which he also sits.

That would damage the integrity of the Rent Board and violate the law.

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Director

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