

CITY OF OAKLAND

AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2007 NOV 15 PM 3:25

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: November 27, 2007

RE: Adopt A Resolution Approving A Two-Year Grant To A Maximum Of \$100,000 Per Year (\$200,000) To The East Bay Community Law Center To Counsel And Represent Low Income Participants In Oakland Rent Adjustment Program Hearings And Appeals To The Rent Board, With An Option To Extend The Grant An Additional Three Years, One Year At A Time, To A Maximum Of \$100,000 For Each Year Of Extension.

SUMMARY

The \$100,000 annual grant for two years to the East Bay Law Center will provide low-income tenants and landlords with technical assistance in processing petitions, mediating rent adjustment cases, and processing and assisting in the appeals process. The agreement would provide for three additional one-year renewals for \$100,000 each year.

FISCAL IMPACT

The \$100,000 annual grant will be provided from funds in the FY 2007-08 and FY 2008-2009 rent arbitration project General Purpose Fund (1010) Rent Adjustment Program (88969), Rent Arbitration Project (P190010). It is anticipated that there will also be sufficient funds available to fund the program for the next several years. Approval of the grant extensions will be submitted to the City Council as part of the budget process.

BACKGROUND

Pursuant to City Council Resolution No. 76930 C.M.S., the City of Oakland Rent Adjustment Program entered into a contract with the East Bay Community Law Center (EBCLC) to operate a trial Low Income Clients Representation Project for one year, beginning on January 1, 2005. The purpose of the contract was to assist low income clients (both landlords and tenants) of the Rent Adjustment Program (RAP):

- Present their cases before the Staff and the Rent Board on appeal;
- Help maintain the neutrality of the RAP by separating counseling and advocacy functions from the adjudicative functions;

Item: _____
CED Committee
November 27, 2007

- Provide advocacy services to enhance the ability of clients to successfully present their cases;
- Resolve disputes between low-income tenants and landlords while preserving a positive long-term relationship;
- Secure clients' rights under Oakland's Ordinances that impact the landlord-tenant relationship.

Based on favorable results the first year, the contract was renewed for a second year with modifications to the scope and service and with the contract amount reduced to \$75,000. The term of the renewed contract was from September 1, 2006 through August 31, 2007. The renewed contract required that some services be provided through a subcontract with Alameda County Bar Association/Volunteer Legal Services Corporation (Bar Association) for landlord services and with Centro Legal de la Raza (CLR) for additional tenant services.

KEY ISSUES AND IMPACTS

Contract Goals

The principal enforcement mechanism of the Rent Adjustment Program to secure landlord compliance is a Rent Adjustment Program decision adjudicating rent levels and ordering the payment of restitution for rent collected in excess of that permitted by the Rent Adjustment Ordinance, if appropriate. At the same time, the Rent Adjustment Program must take a neutral position in disputes between the landlords and tenants that come before it, as the Rent Adjustment Program fills a quasi-judicial role.

Landlords often come to staff hearings and appeals hearings professionally represented, either by attorneys or consultants. Without the low income representation program, low-income tenants rarely are represented by professionals. This contract is needed to provide low-income tenants with technical assistance with the Rent Adjustment law and representation before Staff and the Board. In the two years that the low-income representation program has been in operation, only one low-income landlord has used program services. During the contract period, the Bar Association counseled more than 200 low-income landlords on issues not related to Rent Board petitions.

East Bay Community Law Center and its subcontractors have assisted 180 clients in the past year with counseling and representation for Rent Adjustment cases, excluding representation in court.

Scope of Services

In the grant contract, the EBCLC agrees to provide the following services:

- Assist clients with petition forms
- Assist clients with motions for continuances
- Organize and submit documentary evidence
- Represent clients in Rent Adjustment hearings
- Draft appeals to the Rent Board
- Represent clients in appeal hearings before the Rent Board
- Conduct intake workshops, at sites selected by the City
- Verify client income eligibility.

These are the same services that EBCLC has successfully provided in the past, using the same subcontractors. The number of clients to be served by EBCLC and CLR will increase in proportion to the amount of the grant allocated to each. The scope of services provided to landlords by the Bar Association will be negotiated to include other Rent Control-related educational services beyond representation.

SUSTAINABLE OPPORTUNITIES

Pursuant to City Council Resolution No. 74678 C.M.S., adopted on December 1, 1998 staff encourages property owners to cooperate in sustainable growth. Stabilizing Oakland's existing residential tenancies will stabilize existing neighborhoods and rental communities.

The rental regulation programs address the "3 E's" of sustainability by:

Economic:

- Preserving the affordable housing inventory for families, seniors, and disabled people in Oakland.
- Mitigating the adverse economic pressure on surrounding neighborhoods caused by new housing development.

Environmental:

- Preventing social disruption of established neighborhoods with rental housing.
- Mitigating any adverse environmental impacts resulting from development of new and existing rental housing.

Social Equity:

- Improving the landscape and climate of Oakland's neighborhoods by encouraging longer-term tenancies in rental housing.
- Aiding low-income families to save money in order to become homeowners.

Item: _____
CED Committee
November 27, 2007

DISABILITY AND SENIOR CITIZEN ACCESS

The City's Rent Adjustment staff complies with legal requirements to provide access to all Rent Adjustment Program services for people with disabilities and to ensure that the units rented to people with disabilities comply with applicable codes. The Just Cause for Eviction Ordinance and the Ellis Act Ordinance provide special protections against evictions and relocation benefits for seniors and people with disabilities.

RECOMMENDATION(S) AND RATIONALE

It is recommended that the City Council approve the attached Resolution. It allocates the maximum amount of \$100,000 per year for two years (with three possible one-year extensions) for a grant to East Bay Community Law Center and subcontractors to provide legal services to Oakland low-income landlords and tenants. The three, one-year optional extensions will be brought before the City Council as part of the budget process. Their exercise will depend on both budgetary and programmatic considerations. For purposes of the contract, low-income is defined as up to 80 % of median income. The grant contract will emphasize services to help the maximum number of low-income clients, both landlords and tenants. The contract should be effective as soon as an agreement can be reached between the City and the proposed contractors, not earlier than January 1, 2008.

Item: _____
CED Committee
November 27, 2007

ACTION REQUESTED OF THE CITY COUNCIL

This report requests adoption of the attached Resolution funding a grant to the East Bay Community Law Center for the Rent Adjustment Low Income Representation Program, for two years in the maximum amount of \$100,000 per year, with an option for three one-year extensions to a maximum of \$100,000 per year, at the sole discretion of the City of Oakland.

Respectfully submitted,



Claudia Cappio
Development Director
Community and Economic Development Agency

Reviewed by:
Sean Rogan
Deputy Director
Housing and Community Development

Prepared by:
Rick Nemic Cruz
Manager
Rent Adjustment Program

APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE:



Office of the City Administrator

Item: _____
CED Committee
November 27, 2007

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2007 NOV 15 PM 3: 25

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

Approved as to form and legality


Deputy City Attorney

INTRODUCED BY COUNCILMEMBER _____

A RESOLUTION APPROVING A TWO-YEAR GRANT TO A MAXIMUM OF \$100,000 PER YEAR (\$200,000) TO THE EAST BAY COMMUNITY LAW CENTER TO COUNSEL AND REPRESENT LOW INCOME PARTICIPANTS IN OAKLAND RENT ADJUSTMENT PROGRAM HEARINGS AND APPEALS TO THE RENT BOARD, WITH AN OPTION TO EXTEND THE GRANT AN ADDITIONAL THREE YEARS, ONE YEAR AT A TIME, TO A MAXIMUM OF \$100,000 FOR EACH YEAR OF EXTENSION.

WHEREAS, On January 22, 2002 the City Council passed Resolution No. 76930 C.M.S. to provide low income renters and owners with representation before the Rent Adjustment Program ("RAP") and the Housing, Residential Rent and Relocation Board ("Rent Board"). The Resolution mandated "one hundred thousand dollars (\$100,000) of the funds budgeted for the Rent Adjustment Program ("RAP") . . . shall be allocated to provide the above-described services."; and

WHEREAS, the proposal of the East Bay Community Law Center was selected after an open proposal process as the proposal best meeting the program requirements set forth in a Request for Proposals and the City entered into a contract with the East Bay Community Law Center to provide the representation services for fiscal years 2005-2006 and 2006-2007; and

WHEREAS, after a review of the program results, City Staff found the East Bay Community Law Center performed the requested services satisfactorily during fiscal years 2005-2006 and 2006 - 2007, and recommends the representation services be continued using the East Bay Community Law Center; and,

WHEREAS, sufficient funds are available from the Rent Adjustment Program funds: Fund 1010, Organization 88969, Acct 54900, Project P190010, for fiscal years 2007-2009, and

WHEREAS, City employees cannot represent tenants or owners before the RAP or Rent Board as to do so would create a conflict with the representation, thus the representation services must be performed by persons outside the City; and

WHEREAS, the City Council finds that the services provided pursuant to the agreement authorized hereunder are of a professional, scientific or technical nature and are temporary in nature; and

WHEREAS, the City Council finds that this contract shall not result in the loss of employment or salary by any person having permanent status in the competitive service; now therefore be it,

RESOLVED: That the City Council hereby allocates \$100,000 per year for fiscal years 2007-2008 and 2008-2009, a total of \$200,000 from the General Purpose Fund (1010), Rent Adjustment Program (88969), Rent Arbitration Project (P190010); and be it further

RESOLVED: That because the grantee employs attorneys to perform or oversee the services provided by this grant, the City staff must consult with the City Attorney's Office in establishing the scope of services and evaluating the grantee's performance under this grant; and be it further

RESOLVED: that the City Administrator or her designee is authorized to negotiate and enter into a two-year grant contract with the East Bay Community Law Center, Inc. with three one year extensions to be approved by the City Council as part of the budget process to a maximum of \$100,000 per year to provide legal services related to Rent Adjustment to Oakland residential tenants and landlords with residential rental property in the City of Oakland with incomes of 80% of median income or less.

In Council, Oakland, California, _____, 2007

Passed By The Following Vote:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND
PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California