

2008 MAR 27 AM 9:48

CITY OF OAKLAND

AGENDA REPORT

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Community and Economic Development Agency
DATE: April 10, 2008

RE: Adopt A Resolution Approving A Two-Year Grant To A Maximum Of \$100,000 Per Year (\$200,000 total) To a Consortium of Community Agencies With Centro Legal de la Raza as the Prime Grantee To Counsel And Represent Low Income Participants In Oakland Rent Adjustment Program Hearings And Appeals To The Rent Board, With An Option By the City 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 item is a request for City Council approval of a resolution authorizing the City Administrator to grant to a consortium of community groups led by Centro Legal de la Raza as prime grantee and fiscal agent for representation of low-income clients before the Rent Adjustment Program and the Housing, Residential Rent and Relocation Board in an amount not to exceed \$100,000 per year for two years beginning May 1, 2008, with an option by the City for three annual renewals thereafter.

FISCAL IMPACT

The funds for this grant are currently budgeted and available in the Rent Adjustment Program (Fund 1010, Project P190010, Org. 88969, Account 52921). These funds are restricted to use by the Rent Adjustment Program by Ordinance Number 12517 C.M.S.

BACKGROUND

Pursuant to City Council Resolution No. 76930 C.M.S., the City of Oakland Rent Adjustment unit entered into a contract with the East Bay Community Law Center (EBCLC) to operate a trial low income representation program for one year, commencing January 1, 2005. The purpose of the contract was to assist low income clients earning less than 80% of the area median income (both landlords and tenants) of the Rent Adjustment Program (RAP). Based on favorable results the first year, the contract was renewed for a second year from September 1, 2006 through August 31, 2007.

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A report with recommendations to extend the contract with the East Bay Law Center was heard at the December 4, 2007 City Council meeting. At this meeting, the City Council directed staff to issue a new Request For Proposal for the low-income representation program.

On December 17, 2007, staff mailed a Request for Proposal (RFP) to all agencies in the Bay Area that provided housing counseling services to low-income persons. A copy of the Request for Proposal was also emailed to everyone on the Rent Adjustment Program contact list. Notice of the RFP was published in newspapers of general circulation in Oakland and foreign language newspapers, as well. The RFP was due February 4, 2008.

Two groups returned proposals: The Rental Housing Association of Alameda County, with Alan Beales as subgrantee ("RHA proposal"); and Centro Legal de la Raza ("Centro Legal"), with Bay Area Legal Aid ("Bay Legal"), the Alameda County Bar Association, Volunteer Legal Services Program ("VLSC") as subgrantees, ("Centro Legal proposal"). Upon review by staff, the RHA proposal was found to be substantially incomplete (missing several required forms and a clear scope of service) and the Centro Legal de la Raza proposal was missing one required form. Both groups were mailed a letter asking them to correct any deficiencies in their proposals. Only Centro Legal returned their additional information. No further communication was received from RHA.

The proposals were forwarded to a selection committee chaired by the Chairperson of the Rent Board, Stephen Sanger. Despite the incomplete proposal, the RHA submission was considered by the Committee on its merits and found unacceptable because of the focus on education, rather than the focus directed by the City Council, representation. The committee unanimously recommended awarding the contract to the Centro Legal proposal, with minor modifications. These modifications included providing specific deliverables, changing the outreach program and providing more detail regarding the services for landlords.

KEY ISSUES AND IMPACTS

The low-income representation program provides quality legal advice and representation for low-income persons who are disproportionately non-English speaking and minority tenants and landlords before the Rent Board. This target population commonly cannot afford to secure private legal representation and is at a disadvantage when the opposing party is more sophisticated or is represented. Representatives are better able to present the parties' claims to the Rent Program. Properly presented claims allow the Rent Adjustment Program to avoid unnecessarily protracted proceedings, avoid unjust rent increases, allow landlords increases to which they are entitled and produce fair and equitable results.

PROGRAM DESCRIPTION

Bay Legal's Legal Advice Line ("LAL") will be the primary intake point for tenants to access the services. LAL's phone number will be printed on all materials. LAL staff will assess callers for income eligibility, language preference, geographical area, income level, and situation to route them to the appropriate one of the three agencies. Additional clients who call or visit any of the

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three agencies directly, will be assessed and routed accordingly. Bay Legal's office is in downtown Oakland. Centro Legal's is in the Fruitvale/San Antonio area.

Services for tenants will be coordinated by Centro Legal and delivered by both Bay Legal and Centro Legal. Together, Bay Legal and Centro Legal have the capacity to provide services in Mandarin, Cantonese, Vietnamese, Spanish and Japanese.

Bay Legal and Centro Legal will provide extensive community outreach to low-income tenants throughout the City of Oakland. Outreach will be focused on low-income areas.

VLSC will be the intake point for landlords, providing phone access during business hours, Monday through Friday. VLSC will create a Rent Adjustment Program panel of volunteer Alameda County Bar Association member attorneys who have relevant experience. Volunteers will provide legal assistance and representation to low-income landlords appearing before the Rent Adjustment Program and the Rent Board. VLSC will also hold at least one workshop annually for small landlords to educate the landlords about their rights and responsibilities surrounding the Rent Adjustment Program. VLSC will conduct outreach to landlords through existing activities.

In addition to the outreach activities of the agencies, the Rent Adjustment Program receives thousands of telephone calls per year from program participants, generating additional potential clients that will be referred to the service providers.

Centro Legal will conduct invoicing and reporting based on the required schedule, and will collect the needed data from each partner. The income eligibility standards for the program are 80% of median income for tenants and 100% of median income for landlords. The income limit for landlords was raised to increase landlord participation in the program.

Contract deliverables are:

- Outreach to 15,000 tenants and 300 landlords;
- Assess up to 1,000 clients for eligibility (960 tenants; 40 landlords);
- Refer up to 400 clients to legal counsel provided pursuant to the contract (385 tenants; 15 landlords);
- Advise and counsel up to 240 clients (230 tenants; 10 landlords);
- Represent up to 120 clients at the Rent Board, at Staff hearings and, if necessary, in appeals before the Rent Board (115 tenants; 5 landlords).

The contract provides for low income representation throughout Oakland.

SUSTAINABLE OPPORTUNITIES

The grant enhances the effectiveness of the Rent Adjustment Program and helps:

Economic:

- Preserve the affordable housing inventory for families, seniors, and disabled people in Oakland.
- Mitigate the adverse economic pressure on surrounding neighborhoods caused by housing development.
- Mitigate the adverse impact of foreclosure on renters.

Environmental:

- This contract has no identified environmental opportunities.

Social Equity:

- Improve the landscape and climate of Oakland's neighborhoods by encouraging longer-term tenancies in rental housing.
- Prevent social disruption of established neighborhoods with rental housing.
- Aide low-income families to save money in order to become homeowners.

DISABILITY AND SENIOR CITIZEN ACCESS

The facilities at Centro Legal, Bay Legal and the VLSC are wheelchair and senior citizen accessible.

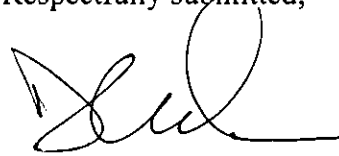
RECOMMENDATION(S) AND RATIONALE

In order to maintain continuity in the services, staff recommends that the City Council authorize the City Administrator to negotiate a grant for low income representation. Staff recommends that the grant be awarded to the group led by Centro Legal de la Raza for counseling and representation to low income participants in the Rent Adjustment Program in an amount not exceed \$100,000 per year for two years, with an option for three one-year extensions depending on the grantee's performance and funding availability.

ACTION REQUESTED OF THE CITY COUNCIL

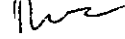
Staff requests the City Council adopt a resolution approving a two-year grant to a maximum of \$100,000 per year (\$200,000 total) to a consortium of community agencies with Centro Legal de la Raza as the prime contractor to counsel and represent low income participants in Oakland Rent Adjustment Program hearings and appeals to the Rent Board, with an option by the City to extend the grant an additional three years, one year at a time, to a maximum of \$100,000 for each year of extension.

Respectfully submitted,

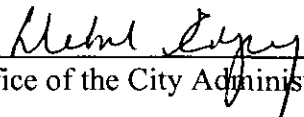


Dan Lindheim
Director
Community and Economic Development Agency

Reviewed by:
Sean Rogan, Director of Housing and
Community Development

Prepared by: 
Rick Nemcik-Cruz, Manager
Rent Adjustment Program

APPROVED AND FORWARDED TO THE
CITY COUNCIL



Office of the City Administrator

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OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER _____

RESOLUTION APPROVING A TWO-YEAR GRANT TO A MAXIMUM OF \$100,000 PER YEAR (\$200,000 TOTAL) TO A CONSORTIUM OF COMMUNITY AGENCIES WITH CENTRO LEGAL DE LA RAZA AS THE PRIME GRANTEE TO COUNSEL AND REPRESENT LOW INCOME PARTICIPANTS IN OAKLAND RENT ADJUSTMENT PROGRAM HEARINGS AND APPEALS TO THE RENT BOARD, WITH AN OPTION BY THE CITY 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, in compliance with a City Council directive issued on December 4, 2007, Staff issued a Request for Proposals for continuation of the low income representation program;

WHEREAS, the proposal of Centro Legal de la Raza with Bay Area Legal Aid and the Alameda County Bar Association Voluntary Legal Services Corporation as subgrantees was selected after an open proposal process as the proposal best meeting the program requirements set forth in the Request for Proposals; and

WHEREAS, sufficient funds are available from the Rent Adjustment Program funds: Fund 1010, Organization 88969, Acct 52921, 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 the City Administrator or her designee is authorized to negotiate and enter into a two-year grant with Centro Legal de la Raza, Inc. with three 1-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 with incomes of 80% of median income or less and landlords with residential rental property in the City of Oakland with incomes of 100% of median income or less.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20_____

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