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OAKLAND
2015 OCT 29 PM 3:51

AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Michele Byrd
Director

SUBJECT: Increasing the Rent Program Service Fee from \$30 to \$110 Per Unit

DATE: October 25, 2015

City Administrator Approval

Date:

10/29/15

RECOMMENDATION

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT:

Report and Possible Action On A Proposed Ordinance Amending The Master Fee Ordinance (O.M.C. 13320) To Increase The Rent Program Service Fee From \$30 Dollars Per Unit To \$110 Per Unit

EXECUTIVE SUMMARY

The proposed resolution to amend the Master Fee Schedule (MFS) to increase the Rent Adjustment Program (RAP) Service fee (the "Fee") is needed to meet the demands presented by the following:

- Historical increase in petition filing, partly as a result of rising rents in Oakland;
- Increase in all public contact, including phone calls, e-mails, and visits during drop-in hours;
- Inability to process petitions in a reasonable time frame;
- Backlog of appeal cases;
- Lack of adequate staff;
- Increased responsibilities under new ordinances and proposed Ordinances (Tenant Protection Ordinance; Seismic Retrofit)
- Combining and expanding client services contracts
- Effective and broader education and outreach efforts for both landlords and tenants
- Operational and security improvements.

Given these factors and an overall demand for RAP services, the Fee is proposed to be increased from \$30 to \$110. The Fee has not been increase since FY 2007-08.

Item: _____
FMC and CED Committees
November 10, 2015

BACKGROUND / LEGISLATIVE HISTORY

The Oakland City Council first adopted the RAP in 1980 by Ordinance, codified as O.M.C. Chapter 8.22. The RAP Ordinance also established the Housing and Residential and Relocation Board (Rent Board). The RAP Ordinance has since been modified several times. The current version became effective August 1, 2014. The City Council and the Rent Board have adopted Regulations that govern the operation of the RAP. In addition to implementing the RAP Ordinance and Regulations, the RAP contains provisions for adjudicating certain disputes that arise under the Just Cause for Eviction Ordinance (Measure EE), and under Oakland's Ellis Act Protection.

The RAP Ordinance sets the annual allowable rate for rent increases for the approximately 60,000 residential rental units covered by the RAP in Oakland, based on the annual CPI indices reported by the U.S. Department of Labor. Increases beyond the general "CPI increase" must be justified under provision of the Rent Ordinance. The Program provides a process to resolve disputes regarding rent increases and decreased housing services through its petition, hearing/mediation and appeal process. A RAP Hearing Officer adjudicates petitions. Appeals from the decision of the Hearing Officer may be taken to the Rent Board. The Rent Board makes the final Administrative decision, which may be reviewed by the courts pursuant to C.C.P. Section 1094.6.

The Fee was established by Ordinance No. 12399 C.M.S. in FY 2001-02 to fund the RAP. The Fee exclusively funds the operation of the RAP and RAP's responsibilities under the Rent Adjustment, Ellis Act and Just Cause for Eviction Ordinances.

The Fee was initially set at \$24 and was increased to \$30 in FY2007-08.

ANALYSIS AND POLICY ALTERNATIVES

Rise in Oakland Rents

The San Francisco Chronicle reported that the August 2015 Zumper National Rent Report showed three important statistics related to Oakland:

- Oakland had the biggest jump in rents in the nation at 20 percent over the past year;
- San Francisco surpassed Manhattan as the nation's priciest rental market; and,
- Oakland is still more affordable than San Francisco¹.

These facts explain the demand for rental housing overflowing from San Francisco. Due to the demand, owners are improving properties and raising rents, which in part is responsible for the record number of tenant petitions that were filed during FY 2014-15.

¹ San Francisco Chronicle, September 7, 2015

Impact of Increase in Petitions

RAP Staff

Increased demands for tenant services has significantly taxed both existing staff and operational capacity. Call and drop-in demands have increased exponentially. Established customer service standards are now difficult to meet, such as returning calls and answering e-mails within 24 hours, scheduling hearings within 60 days of filing petitions, and then getting hearing decisions out within 30 days.

In turn, growing demands on staff and the inability to perform in a timely fashion have resulted in increased complaints and frustrations. Obviously, rent increases, questionable evictions and other problems directly affect Oakland citizens' well-being and community stability. There have been several security related incidents with threats and other inappropriate behavior to staff.

There has also been an increase in the number of petitions filed for problems with the condition of units. Traditionally, Hearing Officers have conducted their own inspections of units to determine if the conditions constitute a decrease in services or present health and safety violations. However, Staff believes that a dedicated RAP inspector, with training to assess habitability code violations, would be a much needed addition to the Program.

The Rent Board

Pursuant to the Rent Ordinance No. 12538 C.M.S., the Residential Rent and Relocation Board (the "Board") meets twice a month. Special meetings and appeal panels can also be scheduled. With the increase in petitions, there has been an increase in appeals, which has created a significant backlog. Currently, appeal hearings are tentatively scheduled out to March 2016.

Table 1 below shows the increase in petitions and appeals over the past four years.

Table 1

RAP Petition and Appeal Data by Fiscal Year

FISCAL YEAR	NUMBER OF PETITIONS/OTHER FILINGS	NO. OF APPEALS
2011-2012	385	20
2012-2013	411	39
2013-2014	551	82
2014-2015	739	98

The appeals process has to be restructured so that appeal hearings can be heard every week. However, this cannot be accomplished with current staffing. At least two staff would have to be assigned to coordinate the process in order for appeals to be heard each week in order to address the backlog and meet current service demands in a timely manner.

With a significant increase in appeals, more lawsuits filed against the City are anticipated; therefore, additional staff from the City Attorney's office is needed.

RAP Clients

The goal of the RAP is to schedule hearings within 60 days of a petition being filed. The Program met that goal for many years. However, over the past two years, tenants and owners who file petitions must often wait three months or longer before a hearing can be scheduled. If a client does not agree with a decision, there could be months before an appeal hearing can be scheduled. Ideally, appeals should be scheduled within 60 days after they are filed.

In addition to the scheduling problems, lack of adequate staff has caused the quality of customer service to suffer. In particular, staff has had difficulty keeping up with phone calls, e-mails and in person inquiries for even basic information.

Impact of Other Ordinances

Tenant Protection Ordinance (TPO)

The RAP may be assigned administrative responsibilities under the TPO, which would require additional staff. However, even without the administrative responsibilities, the RAP recently added \$110,000 to the amount allocated for client contracts for a total amount of \$200,000 for FY 2015-16 to counsel and assist tenants with claims of harassment and owners who need assistance with understanding how to comply with the Ordinance.

Seismic Retrofits

The anticipated passage of the Seismic Retrofit Ordinance would require landlords to retrofit approximately 1,400 soft story buildings in Oakland. The ordinance would require that landlords file a petition with the RAP when passing through the allowed costs to tenants. This requirement could generate an additional 300 to 400 petitions a year over the next six years.

At least four additional hearing officers would be needed to hear the seismic petitions alone. Adding additional support staff (Program Analysts, Administrative Assistants, and Inspector) would also be required.

Impact of Combining Client Contracts

Currently, the RAP has a contract with Centro Legal de la Raza for tenant services. Additionally, the RAP has been given the authorization to enter into a contract with a qualified agency for owner services. There are also contracts funded by the Community Block Grant Program (CDGB) with the East Bay Community Law Center and Causa Justa, Just Cause.

Because of the dwindling availability of CDGB funds, the Department of Housing and Community Development (HCD) recommends combining the contracts and having them funded and monitored by the RAP. However, the current RAP budget would not cover the costs of combining or expanding the contracts.

Strategy for Improving Operational and Client Services

In order to meet the new demands, the RAP must have adequate staff. Without adequate staff, necessary operational changes cannot be implemented to address the problems created by the rapid growth of the RAP.

Hearing Officers

Currently, there are four Hearing Officers, three are permanent and one is temporary. The temporary position is being paid by one-time surplus funds. Each Hearing Officer is scheduled to hear at least one case per week, although sometimes two cases are scheduled. Approximately 16 hearings are conducted each month.

Cases involving a claim of decreased housing services, substantially rehabilitated units or consolidated cases can involve multiple hearings and days of analyzing evidence and listening to the audio of the hearing before a decision can be written. It may then take several days to write a decision. To meet program goals, Hearing Officers should be assigned between 100 to 125 cases per year. Four Hearing Officers would be adequate if the RAP received up to 425 petitions per year.

At least four additional Hearing Officers are needed to hear the number of petitions that the RAP is currently receiving.

Program Analysts

Currently, there are two permanent Program Analyst II positions, one permanent Program Analyst III position, and one temporary Program Analyst I. The temporary position is being paid by one-time surplus funds.

Program Analysts provide information regarding the Rent Ordinance and Regulations directly to the public by telephone and during office drop-in hours. The Analysts also assist in the preparation of the cases for hearing, as the Hearing Officers cannot speak to the parties outside of a hearing. The Analyst III is assigned additional responsibilities, such as preparing a Request for Qualifications or monitoring contracts.

An additional Program Analyst III is needed to work full-time with appeals to address the backlog and ensure that the process operates efficiently. This request also accounts for the fact that there is a temporary position.

Administrative Assistants

Currently, there are two Administrative Assistants, one of which was recently hired and will begin work in November. The recent hire filled a vacant position. Administrative Assistants have an enormous amount of paperwork to process, including opening petitions and other

filings, scanning and organizing termination notices required under the Just Cause Ordinance², and sending out documents that require a Proof of Service.

An Administrative Assistant II is needed, not only to assist with the volume of work, but to manage the duties of each Assistant and ensure that all assignments are being done correctly and timely.

Justification for Increase in the Program Service Fee

Staff recommends that the Fee be increased to \$110 per unit per year in order to address temporary positions, add additional staff, and cover the total costs of client contracts, refer to **(Attachment B)**. The following **Table 2** details the fully loaded costs of additional staff and anticipated operating costs.

Table 2
Rent Adjustment Budget for Fee Increase of \$110 Per Unit

RENT ADJUSTMENT STAFF	CURRENT POSITIONS	NEW POSITIONS	TOTAL COSTS CURRENT/NEW POSTIONS
Program Manager	1	None	\$256,826
Senior Hearing Officer	1	None	\$221,769
Hearing Officer	3	4	\$1,407,945
Program Analyst III	1	1	\$315,170
Program Analyst II	3	1	\$544,604
Program Analyst I	0	1	\$117,602
Admin Assistant II	0	1	\$104,631
Admin Assistant I	1	2	\$209,262
S.C. Inspector	0	1	\$147,521
Security Guard	0	1	\$77,646
TOTAL	10	12	\$3,402,976
OTHER DEPARTMENTS	CURRENT POSITIONS	NEW POSITIONS	TOTAL COSTS
City Attorney's Office	D.C. Attorney V D.C. Attorney III Paralegal Legal Assistant	D.C. Attorney III	\$1,283,488
Revenue	TEO, Receptionist, Cashier, Rev. Assist., Operations Supervisor, Auditor, Analyst Manager	None	\$376,385 (based on percentage of each position's time spend on RAP) (See Attachment A)
TOTAL		1	\$1, 659,873
RAP OPERATING	ADOPTED BUDGET	EXPENSES BASED ON	TOTAL INCREASE IN

² The RAP can receive up to 100 or more notices per day to must be addressed in order to accurately respond to the public.

EXPENSES		FEE INCREASE	BUDGET
Temporary Personnel (IT Support)	\$5,000	\$50,000	\$45,000
Client Contracts, tenant & owner (See Attachment B)	\$90,000 (RAP Tenant) \$10,000 (RAP Owner)	\$422,680 (EBCLC) \$382,000 (CLR) \$291,000 (Just Cause) \$35,000 (Landlord) Total: \$1,130,680	\$1,030,680
Minor Computer Software	\$5,000	\$5,000	None
Printing, Advertising, and Promotion	\$21,000	\$21,000	None
Band & Credit Card Fees	\$8,000	\$8,000	None
Postage and Mailing	\$6,900	\$10,000	\$3,100
Miscellaneous Operating Expenses	\$24,000	\$24,000	None
TOTAL	\$169,900	\$1,248,680	\$1,078,780
GRAND TOTAL	\$6,311,529		

The proposed budget based on an increase of the Fee to \$110 would increase RAP staff from ten to 22, including two positions that have never been added to the RAP staff: an inspector and a security guard. This budget would also add an additional Deputy City Attorney. The new Fee, based on 60,000 units times \$110 per unit, would generate 6.6 million dollars, and cover the costs of the following:

- Four Hearing Officers
- Three Program Analysts
- Two Administrative Assistants
- Security Guard
- Inspector
- Deputy City Attorney
- Total cost of client contracts

Rental Fee in Other Jurisdictions

The Fee for the RAP in Oakland is lower than any of the four major rent stabilization jurisdictions in California administering similar Ordinances as shown in **Table 3**. The information is for FY 2014-15³.

Table 3

CITY	RENT FEE	COVERED UNITS	ANNUAL BUDGET	FTE STAFF	PETITIONS FILED	HEARING OFFICERS	PETITIONS ASSIGNED
Berkeley	\$213.00	19,000	\$4,047.00	20	222	2	111
San	\$37.00	173,000	\$6,401.00	32	2,124	12	177

³ The information was obtained from annual reports and speaking to staff.

Francisco							
Santa Monica	\$174.00	28,069	\$4,910,952	23	117	2	59
Hollywood	\$120.000	15,600	\$1,872.000	11	106	2	53
Oakland	\$30.00	60,000	\$1,800.00	10	726	4	182

Compared to other jurisdictions, the Oakland RAP has less staff and lower fees, yet more petitions are processed per Hearing Officer.

Alternative Fee Increases

The following **Tables 4** and **5** show alternative fee increases:

Table 4

Rent Adjustment Budget for Fee Increase of \$98 Per Unit

RENT ADJUSTMENT STAFF	CURRENT POSITIONS	NEW POSITIONS	TOTAL COSTS
Program Manager	1	None	\$256,826
Senior Hearing Officer	1	None	\$221,769
Hearing Officer	3	4	1,407,945
Program Analyst III	1	1	\$315,170
Program Analyst II	3	1	\$544,604
Program Analyst I	0	1	\$117,602
Admin Assistant II	0	1	\$104,631
Admin Assistant I	1	2	\$209,262
S.C. Inspector	0	1	\$147,521
Security Guard	0	1	\$77,646
TOTAL	10	12	\$3,402,976
OTHER DEPARTMENTS	CURRENT POSITIONS	NEW POSITIONS	TOTAL COSTS
City Attorney's Office	D.C. Attorney V D.C. Attorney III Paralegal Legal Assistant	D.C. Attorney III	\$1,283,488
Revenue	TEO, Receptionist, Cashier, Rev. Assist, Operations Supervisor, Auditor, Analyst Manager	None	\$376,385 (based on percentage of each position's time spent on RAP business)
TOTAL	5 + % OF 8	1	\$1,659,873
RAP OPERATING EXPENSES	ADOPTED BUDGET	BUDGET BASED ON FEE INCREASE	INCREASE IN OPERATING EXPENSES
Temporary Personnel (IT Support)	\$5,000	\$50,000	\$45,000
Client Contracts combined; current levels	\$90,000 (RAP Tenant) \$10,000 (RAP Owner)	\$165,000 (CLR RAP) \$56,731 (CLR CDGB)	\$325,685

		\$35,000 (RAP LL) \$97,000 (EBCLC) \$71,954 (Just Cause) Total: \$425,685	
Minor Computer Software	\$5,000	\$5,000	None
Printing, Advertising, and Promotion	\$21,000	\$21,000	None
Band & Credit Card Fees	\$8,000	\$8,000	None
Postage and Mailing	\$6,900	\$10,000	3,100
Miscellaneous Operating Expenses	\$24,000	\$24,000	None
TOTAL	\$169,900	\$540,585	\$370,685
GRAND TOTAL	\$5,603,434		

Table 4 shows 60,000 units times 98 dollars per unit, generating 5.8 million dollars. Twelve additional RAP positions are added, with one additional position in the City Attorney's Office. The client contracts are kept at the current levels, with limited expansion. This alternative would allow for enough Hearing Officers for the anticipated increase in petitions, along with an inspector and a security guard.

Table 5

Rent Adjustment Budget for Fee Increase of \$88 Per Unit

RENT ADJUSTMENT STAFF	CURRENT POSITIONS	NEW POSITIONS	TOTAL COSTS WAGES
Program Manager	1	None	\$256,826
Senior Hearing Officer	1	None	\$221,769
Hearing Officer	3	3	\$1,206,810
Program Analyst III	1	1	\$315,170
Program Analyst II	3	1	\$544,604
Admin Assistant II	0	1	\$104,631
Admin Assistant I	1	2	\$209,262
TOTAL	10	7	2,864,254
OTHER DEPARTMENTS	CURRENT POSITIONS	NEW POSITIONS	TOTAL COSTS
City Attorney	D.C. Attorney V D.C. Attorney III Paralegal Legal Assistant	D.C. Attorney III	\$1,283,488
Revenue	TEO, Receptionist, Cashier, Rev. Assist, Operations Supervisor, Auditor, Analyst, Manager	None	\$376,385 (based on percentage of each position's time spent on RAP business)
TOTAL	4 + % of 8	1	\$1,659,873
RAP Operating Expenses	ADOPTED BUDGET	BUDGET BASED ON FEE INCREASE	TOTAL INCREASE IN BUDGET
Temporary Personnel	\$5,000	\$50,000	\$45,000

(IT) Support			
Combined Client Contracts (current funding) (See Attachment C)	\$90,000 (RAP Tenant) \$10,000 (RAP Owner)	\$165,000 (CLR RAP) \$35,000 (RAP LL) \$56,731 (CLR CDGB) \$97,000 (EBCLC) \$71,954 (Just Cause) Total: \$425,685	\$325,000
Minor Computer Software	\$5,000	\$5,000	None
Printing, Advertising & Promotion	\$21,000	\$21,000	None
Band & Credit Card Fees	\$8,000	\$8,000	None
Postage and Mailing	\$6,900	\$6,900	None
Miscellaneous Operating Expenses	\$24,000	\$24,000	None
TOTAL	\$169,900	\$540,585	\$370,685
GRAND TOTAL	\$5,064,712		

Table 5 shows 60,000 units times 88 dollars, generating 5.2 million dollars. Seven additional RAP positions are added, with one position in the City Attorney's Office. The client contracts would remain at current levels, with limited expansion. This budget allows for only seven Hearing Officers. The inspector, security guard, and Program Analyst I would be excluded.

Summary

The Fee has not been increased since FY 2007-8. Oakland has the lowest fee of the four major rent stabilization jurisdictions in California, yet the RAP processes significantly more petitions per Hearing Officer than all other jurisdictions.

The current crisis of soaring rents in Oakland has had a significant impact on the increased number of petitions that have been filed with the RAP over the past three years. The responsibilities of the RAP have dramatically changed and the Program needs to be restructured. Without new staff, services to the public will continue to suffer, the contracts with services providers cannot be combined or expanded, and the RAP will be unable to meet its responsibilities under current or new ordinances.

The RAP has never employed a security guard. However, due to the volume of public contact, which often includes angry clients, enhanced security is needed.

Hearing Officers in the RAP have traditionally done their own inspections. Staff believes that the number of complaints regarding the condition of units require a professional inspector.

Staff recommends raising the Fee to \$110 per unit per year to enable the RAP to restructure the Program and meet its responsibilities.

FISCAL IMPACT

Pursuant to Ordinance No. 12399 C.M.S., owners pay the Fee, but may pass half of the total fee to their tenants⁴. At \$30 per unit, tenants were required to pay \$1.25 per month. An increase of \$110 per unit raises the monthly amount a tenant would be required to pay to approximately \$4.58, or an increase of \$3.33.

PUBLIC OUTREACH / INTEREST

This report did not require any additional public outreach further than the required posting on the City's website. However, the proposed increase to the rent program service fee is of high interest to the community. For tenants, it will represent a dramatic increase in fees that have to be absorbed in a short time period. There have been conversations with both tenant based and rental property based interest groups, and it is anticipated that these discussions will be on-going as consideration of the fee increase continues during the next month.

COORDINATION

This report was coordinated with the City Attorney's Office and the Controller's Bureau.

SUSTAINABLE OPPORTUNITIES

Economic:

- Preserve the affordable housing inventory for families, seniors, and disabled people in the City of Oakland;
- Protect tenants from exorbitant rent increases while encouraging owners to invest in the housing stock of the City.

Environmental:

- Mitigate adverse environmental impacts resulting from existing rental housing;
- Encourage cohesion and vested interest of owners and tenants in established neighborhoods

Social Equity:

- Improve the landscape and climate of Oakland's neighborhoods by encouraging long-term tenancies in rental housing;
- Assist low and moderate income families to save money to become homeowners.

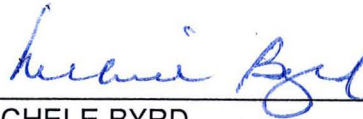
⁴ O.M.C. 8.22.070 (G).

ACTION REQUESTED OF THE CITY COUNCIL

It is recommended that the City Council approve the attached Ordinance to amend the Master Fee Schedule, Ordinance 13320, C.M.S., to increase the Rent Program Service Fee from \$30 dollars per unit to \$110 dollars per unit.

For questions regarding this report, please contact Connie Taylor, Program Manager at (510) 238-6246.

Respectfully submitted,



MICHELE BYRD

Director
Department of Housing and Community
Development

Prepared by:
Connie Taylor, Program Manager
Residential Rent Adjustment Program

Attachments: (3)

- A: List of positions in Revenue funding by RAP
- B: Oakland Housing Services Funding Summaries
- C.: Oakland Housing Services Funding Summaries

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2015 OCT 29 PM 3:51

OAKLAND CITY COUNCIL

Approved as to Form and Legality


City Attorney

ORDINANCE No.

C.M.S.

**AN ORDINANCE AMENDING THE MASTER FEE ORDINANCE
(O.M.C. 13320) TO INCREASE THE RENT PROGRAM SERVICE FEE
FROM \$30 DOLLARS PER UNIT TO \$110 PER UNIT**

WHEREAS, in fiscal year (FY) 2001-2002, the City Council established the Rent Adjustment Program Service Fee (the Fee) to fund the Rent Adjustment Program (RAP); and

WHEREAS, the Fee was initially set at \$24 dollars per unit and was increased to \$30 dollars per unit in fiscal year 2007-2008; and

WHEREAS, rents in Oakland have risen by 20 percent over the past year, yet housing is still more affordable in Oakland than in San Francisco, which has caused a demand for rental housing overflowing from San Francisco; and

WHEREAS, within the last three fiscal years (from FY 2011-2012 to FY 2014-2015) the RAP workload has increased dramatically including nearly double the amount of petitions filed annually (from 385 – 739) and five-fold the amount of appeals filed annually (from 20 to 98); and

WHEREAS, the recently enacted Tenant Protection Ordinance has also increased calls to staff and referrals for assistance; and

WHEREAS, RAP expects an additional large increase in petitions (potentially 300-400 additional petitions per year) due to the anticipated passage of a Mandatory Seismic Retrofit Ordinance; and

WHEREAS, in order to increase the assistance available to Oakland tenants and landlords RAP is expanding its funding for client service contracts;

WHEREAS, RAP is currently inadequately staffed to manage the anticipated increased workload in a reasonable time frame; and

WHEREAS, compared to other Rent Stabilization jurisdictions in California, Oakland has a low fee, yet processes more petitions per Hearing Officer than any other jurisdiction; and

WHEREAS, the City Council finds that based on the significant increase in petitions and responsibilities under new City ordinances there is good cause for raising the Rent Program Service Fee from \$30 dollars to \$110 dollars per unit thereby enabling the Rent Program to meet its responsibilities; an

WHEREAS, THE City Council finds that the staffing levels proposed for the Rent Program are justified and necessary for the program to function in an efficient and responsive manner;

WHEREAS: This action is exempt from the California Environmental Quality Act (“CEQA”) under the following, each as a separate and independent basis, including but not limited to, the following: CEQA Guidelines §15378 (regulatory actions), § 15061(b)(3) (no significant environmental impact), and §15183 (actions consistent with the general plan and zoning).

Now, therefore, the Council of the City of Oakland does ordain as follows:

Section 1: The City Council hereby amends the Master Fee Schedule, Housing & Community Development: Residential Rent Adjustment Section at (B)(1), to increase the Rent Program Service Fee from \$30 to \$110 per unit;

Section 2: This Ordinance takes effect seven (7) days after final adoption, unless it has been passed with at least six (6) votes, in which case it takes effect immediately upon adoption. The amended Fee amount will apply to those fees first due on January 1, 2016 and thereafter.

Section 3: This action is exempt under the California Environmental Quality Act (“CEQA”) pursuant to, but not limited to the following CEQA Guidelines: §15378 (regulatory actions), § 15061(b)(3) (no significant environmental impact), and §15183 (actions consistent with the general plan);

Section 4. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2015

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL-WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, AND
PRESIDENT GIBSON McELHANEY

NOES –

ABSENT –

ABSTENTION –

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

NOTICE AND DIGEST

AN ORDINANCE AMENDING THE MASTER FEE ORDINANCE (O.M.C. 13320) TO INCREASE THE RENT PROGRAM SERVICE FEE FROM \$30 DOLLARS PER UNIT TO \$110 PER UNIT

The Ordinance amends the City of Oakland Master Fee Schedule to increase the Rent Program Service Fee from \$30 per unit to \$110 per unit.

BUDGETED RAP LABOR

<u>Classification</u>	<u>Function</u>	<u>FTE</u>	<u>% of Time Renewal</u>	<u>% of Time non- renewal</u>	<u>Avg Cost Per FTE</u>	<u>Cost During Renewal</u>	<u>Cost Non- Renewal</u>
EOII	Declaration Assistance	4.00	33%	5%	89,144	117,670	17,829
Receptionist	Forms, wayfinding, genl RAP info	1.00	33%	5%	61,275	20,221	3,064
Cashier	Processing RAP Pmts	1.00	33%	5%	56,462	18,632	2,823
Dev Assts/Call center	Phone calls, correspondence, education, outreach	3.00	50%	5%	63,830	95,745	9,575
Operations supervisor	Management of the above classif's	1.00	33%	10%	147,626	48,717	14,763
QA Auditor II	Lockbox, Data Integrity, reconciliations	1.00	50%	10%	88,464	44,232	8,846
IT Administrator Analyst	Systems design & maintenance; DQ leads; data matching against other s/w programs	1.00	10%	2%	108,746	10,875	2,175
Revenue & Tax Mgr	Administration	1.00	10%	5%	202,934	20,293	10,147
						376,385	69,221

BUDGETED RAP LABOR - 190010

<u>Classification</u>	<u>Function</u>	<u>FTE</u>	<u>% of Time Renewal</u>	<u>% of Time non- renewal</u>	<u>Avg Cost Per FTE</u>	<u>Cost During Renewal</u>	<u>Cost Non- Renewal</u>	
EO II	Customer Service	1.00	25%	25%	117,175	29,294	29,294	
EO II	Customer Service	1.00	25%	25%	117,175	29,294	29,294	
Dev Asst	Customer Service	1.00	35%	15%	85,435	29,902	12,815	
Dev Asst	Customer Service	1.00	15%	35%	85,435	12,815	29,902	
						101,305	101,305	202,610
Total REVDIV RAP Labor Cost During Renewal						477,690		
Total REVDIV RAP Labor Cost - Non- renewal Season During Renewal							170,526	
Total OPW Labor Funding						50,653	151,958	202,610
Total Underfunding During Renewal						(427,037)		
Total Underfunding During Non- renewal Season							(18,568)	
Grand Total Labor Underfunding							(445,606)	

**Master Fee Schedule: Oakland Housing Services Funding Summaries
Oakland Housing Services Partners (EBCLC, Centro and Causa Justa/Just Cause).**

East Bay Community Law Center's Oakland Housing Services (based on FY 2014-15)

Need: The overall picture - 94,000 rental units, nearly 60% of our housing stock, 15-20% increasing in rent in one-two years; unlawful and lawful evictions; rapidly increasing displacement; the need for services (calls for housing legal services are approximately 5,000 each year to EBCLC front desk) far outstrip available resources to respond (particularly to enforce existing tenant protection ordinances);

Staffing: 4 attorneys (1 program director), 1 paralegal/intake specialists, .8 Jesuit Volunteer, and .6 of a law fellow;

Services: EBCLC Housing Practice staff and students provided approximately 2,077 client services to approximately 1,294 Oakland residents – all low-income and the majority (79%) People of Color (40% African American, 23% Latino, 5% Asian or Pacific Islander and, 16% other/multiracial);

Costs: The costs of the current provision of Oakland-specific Housing Legal Services: \$422,680 direct costs ("true" costs \$540,270, including overhead and non-direct; 65% of overall Housing Practice costs reflecting 65% of clients are Oakland residents);

City of Oakland funding: Currently, through Oakland CDBG, EBCLC gets \$96,541 for Oakland Housing Legal Services, i.e., 17% (or 22% of "true") of what it costs to provide the current Housing Legal Services to Oaklanders.

Centro Legal de la Raza - Oakland Housing Services (based on FY 2014-15)

Staffing: 3.5 attorneys (1 program director and one litigation director) and .5 intake specialist

Services: Centro Legal's Housing staff provided approximately 1,372 client services to approximately 600 Oakland residents – all low-income and the majority (86%) People of Color (53% Latino, 25% African-American, 6% Asian or Pacific Islander and, 16% other/multiracial);

Costs: The costs of the current provision of Oakland-specific Housing Legal Services: \$250,000 direct costs including overhead and non-direct; 83% of overall Housing Practice costs reflecting 83% of clients are Oakland residents);

City of Oakland funding: Currently, through Oakland CDBG and Rent Adjustment Program, Centro Legal gets \$146,731 for Oakland Housing Legal Services, i.e., 57% of what it costs to provide the current Housing Legal Services to Oaklanders. Less than 50% of the funding (\$56,731) we receive from the City of Oakland can be used to help tenants facing evictions.

Causa Justa :: Just Cause Oakland Housing Services (based on FY 2014-15)

Staffing: 2 FTE Clinic Staff Counselors, .5 FTE Volunteer Coordinator, .25 FTE Reporting/Data-entry Coordinator, .25 FTE Program Management, 2 FTE (unpaid) Volunteer

Services: 3,000 Oakland Tenant's Hotline calls, Clinic Cases: 580, 240 direct eviction cases, 340 some form of harassment under the TPO leading toward eviction.

ATTACHMENT B

CJJC constituency is approximately 50% African American, 40% Latino (the majority of whom are monolingual Spanish speakers and/or immigrants), and 10% from other racial/ethnic backgrounds. All Low income, unemployment in these areas is consistently 3-4% higher than the national average. The Oakland neighborhoods we work in – East and West Oakland – have a median income of \$22,000-\$30,000 per family of four.

CJJC has two offices – West Oakland and Deep East Oakland

Costs: The costs of the current provision of Oakland-specific Outreach and Education Services: \$291,000 including overhead and non-direct.

City of Oakland funding: Currently Causa Justa :: Just Cause receives \$55,288 in Oakland CDBG funding with \$16,666 1-year supplemental funding added by city staff. \$55,288 is 19% of the cost to provide Oakland-specific Outreach and Education Services.

**Master Fee Schedule: Oakland Housing Services Funding Summaries
Oakland Housing Services Partners (EBCLC, Centro and Causa Justa/Just Cause).**

East Bay Community Law Center's Oakland Housing Services (based on FY 2014-15)

Need: The overall picture - 94,000 rental units, nearly 60% of our housing stock, 15-20% increasing in rent in one-two years; unlawful and lawful evictions; rapidly increasing displacement; the need for services (calls for housing legal services are approximately 5,000 each year to EBCLC front desk) far outstrip available resources to respond (particularly to enforce existing tenant protection ordinances);

Staffing: 4 attorneys (1 program director), 1 paralegal/intake specialists, .8 Jesuit Volunteer, and .6 of a law fellow;

Services: EBCLC Housing Practice staff and students provided approximately 2,077 client services to approximately 1,294 Oakland residents – all low-income and the majority (79%) People of Color (40% African American, 23% Latino, 5% Asian or Pacific Islander and, 16% other/multiracial);

Costs: The costs of the current provision of Oakland-specific Housing Legal Services: \$422,680 direct costs ("true" costs \$540,270, including overhead and non-direct; 65% of overall Housing Practice costs reflecting 65% of clients are Oakland residents);

City of Oakland funding: Currently, through Oakland CDBG, EBCLC gets \$96,541 for Oakland Housing Legal Services, i.e., 17% (or 22% of "true") of what it costs to provide the current Housing Legal Services to Oaklanders.

Centro Legal de la Raza - Oakland Housing Services (based on FY 2014-15)

Staffing: 3.5 attorneys (1 program director and one litigation director) and .5 intake specialist

Services: Centro Legal's Housing staff provided approximately 1,372 client services to approximately 600 Oakland residents – all low-income and the majority (86%) People of Color (53% Latino, 25% African-American, 6% Asian or Pacific Islander and, 16% other/multiracial);

Costs: The costs of the current provision of Oakland-specific Housing Legal Services: \$250,000 direct costs including overhead and non-direct; 83% of overall Housing Practice costs reflecting 83% of clients are Oakland residents);

City of Oakland funding: Currently, through Oakland CDBG and Rent Adjustment Program, Centro Legal gets \$146,731 for Oakland Housing Legal Services, i.e., 57% of what it costs to provide the current Housing Legal Services to Oaklanders. Less than 50% of the funding (\$56,731) we receive from the City of Oakland can be used to help tenants facing evictions.

Causa Justa :: Just Cause Oakland Housing Services (based on FY 2014-15)

Staffing: 2 FTE Clinic Staff Counselors, .5 FTE Volunteer Coordinator, .25 FTE Reporting/Data-entry Coordinator, .25 FTE Program Management, 2 FTE (unpaid) Volunteer

Services: 3,000 Oakland Tenant's Hotline calls, Clinic Cases: 580, 240 direct eviction cases, 340 some form of harassment under the TPO leading toward eviction.

CJJC constituency is approximately 50% African American, 40% Latino (the majority of whom are monolingual Spanish speakers and/or immigrants), and 10% from other racial/ethnic backgrounds. All Low income, unemployment in these areas is consistently 3-4% higher than the national average. The Oakland neighborhoods we work in – East and West Oakland – have a median income of \$22,000-\$30,000 per family of four.

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