

CITY OF OAKLAND

COUNCIL AGENDA REPORT

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency, Housing and Community
Development Division, Rent Adjustment Program
DATE: December 14, 2004

RE: RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO APPROVE A CONTRACT BETWEEN THE CITY OF OAKLAND AND EAST BAY COMMUNITY LAW CENTER FOR ONE YEAR IN THE AMOUNT OF \$100,000 FOR REPRESENTATION OF LOW INCOME RENT ADJUSTMENT CLIENTS

SUMMARY

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 hearings ("RAP") and the 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." The Resolution required Staff to present the contract to the City Council for approval.

After a public Request for Proposal process, a joint proposal submitted by the East Bay Community Law Center ("EBCLC") and the Alameda County Bar Association/Volunteer Legal Services Corporation ("VLSC") was selected. The contract presented with this report is the result of negotiations between Rent Adjustment Staff and the vendors. Under this Agreement, tenants are assisted by both staff members of EBCLC and Boalt Hall law students, and landlords are counseled and represented through a subcontract with VLSC. The EBCLC will submit monthly reports of its work, and will be paid according to the work performed, not to exceed \$100,000. The term of the contract is January 1, 2005 through December 31, 2005.

FISCAL IMPACT

The fiscal impact is limited to the maximum cost, \$100,000, with \$50,000 in FY 04-05 and \$50,000 in FY05-06. The funds for FY 04-05 are included in the budget for FY04-05. The funds for 05-06 will be included in the budget for that fiscal year. The Rent Adjustment Program is a cost-covered project with funds generated by the annual Rent Program User Fee. It is anticipated that the Rent Adjustment Program revenues will be sufficient to cover the cost of this program without an increase in the user fee, currently set at \$24 per unit per year. Therefore, this contract will not impact the General Fund of the City of Oakland.

BACKGROUND

Although the City Council amended the Rent Ordinance and Regulations in 2002 and 2003, in large part to simplify the process, many people including those without specialized training, with

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limited proficiency in English and those with other problems accessing City services have difficulties accessing the Rent Adjustment process. The Rent Adjustment process is subject to a large number of legal requirements, both statutory and constitutional. Although the Rent Adjustment Program makes every effort to simplify and advertise the process to make it accessible to all renters and owners in the City of Oakland, the compulsory process includes formal notice of the claims, and an adversary hearing before a staff hearing officer with the opportunity to appeal to the Housing Residential Rent and Relocation Board (“HRRRB”). Low income individuals are a large part of the target population of the Rent Adjustment Program and other renter protections administered under the Program. This was apparent to the City Council in 2002, when it approved Resolution 76930 C.M.S, mandating this expenditure.

In mid 2004 the Rent Adjustment Program published notice of a request for proposals to implement the Low-Income Clients’ Representation Program and provided a written Request for Proposals to everyone who requested a copy. A public meeting was held to answer questions regarding the proposals. The meeting included staff from the Citywide and CEDA Contract Compliance Office, and the Rent Adjustment Program. Several potential service providers attended the meeting. The attendees were very active in asking questions about the requirements for the proposal. Three proposals were received. All three of the proposals received were joint proposals. One agency or group would provide services to property owners and another would serve renters.

A three-person panel, consisting of the then Chairperson of the Rent Board and Staff from CEDA, was convened to evaluate the proposals. None of the RAP Staff participated in the selection process. The panel interviewed representatives from the organizations that submitted the three proposals. After the interview process, and after careful consideration of the nature of the services that were proposed, the panel selected the East Bay Community Law Center/Alameda County Bar Association—Volunteer Legal Services proposal.

The East Bay Community Law Center is a non-profit corporation that has experience providing similar services to the City of Oakland. EBCLC manages a clinical internship program for law students at Boalt Hall School of Law at U. C. Berkeley. The existing program provides advice and representation to low-income clients in unlawful detainer cases. Their offices are located on the Berkeley-Oakland border at 3130 Shattuck Avenue. EBCLC proposes to subcontract representation of low-income owners to the Alameda County Bar Association—Volunteer Legal Services Corporation (“VLSC”). VLSC was incorporated in 1985 to provide free legal services to indigent residents of Alameda County in civil matters by screening and referring low income clients to pro-bono attorneys with support from volunteer paralegals, law students and staff members. VLSP’s principal offices are located in the City of Oakland. Both organizations already provide similar services to the same population targeted in the Request for Proposal.

In the attached Agreement, the EBCLC agrees to screen up to 20 referrals and represent up to 10 qualified persons each month through counseling, preparation of documents to be submitted to the Rent Program, and representation at hearings and appeals. Low income clients are defined as those having 50% or less of Oakland’s median family income. Screening will be done by RAP personnel who will provide written referrals to EBCLC or VLSC (“Vendors”). Vendors will interview, screen and use their own professional judgment about how to treat each case,

including decisions about which clients to represent. The RAP will provide training and advice to Vendors about Oakland's renter protection Ordinances. Vendors will provide monthly reports of their activities. The contract will be monitored by RAP personnel who have previous experience monitoring similar contracts.

KEY ISSUES AND IMPACTS

In Resolution 76930 C.M.S. the City Council recognized that some low-income tenants and landlords needed assistance in addressing rent adjustment petitions through the Rent Adjustment Program ("RAP"). These low-income persons could not afford to hire attorneys or other persons to represent them through the RAP process. To address this concern, the City Council budgeted \$100,000 of the RAP's funds to provide this assistance by contracting with outside agencies to represent low-income tenants and landlords.

The advantages of having a legally sophisticated individual, trained in the Rent Adjustment process available to those clients who most need legal help are obvious. Rent Control is a regulatory system that requires a basic understanding of the legal process for access. Because the RAP is a complaint based program, the availability of the kind of help provided by the contract under consideration is an integral part of the program. Renters who believe their rental units or rents violate City of Oakland Ordinances must have the means to enforce valid complaints with the City. This contract will provide that access. However, allocating RAP funds for this purpose reduces funds that could have been used for other RAP purposes, such as outreach to more landlords and tenants.

SUSTAINABLE OPPORTUNITIES

Pursuant to City Council Resolution No. 74678, C.M.S. adopted on December 1, 1998, staff encourage property owners to operate sustainable projects. Stabilizing Oakland's existing rent tenancies stabilize existing neighborhoods and rental communities.

The rental regulation program provides help and advice to people who would otherwise not have access to the system. The program becomes more efficient and the Ordinance is properly enforced when owners and tenants have greater access to their rights and responsibilities.

The program mitigates the adverse economic pressure on surrounding neighborhoods caused by new housing developments, thus reducing the disruption of low-income, senior, and disabled housing. Rental regulation also provides the opportunity for homeownership to low-income families.

DISABILITY AND SENIOR CITIZEN ACCESS

Because the program is limited to assisting lower-income individuals, it is anticipated that the program would disproportionately benefit the elderly and disabled, whose incomes are generally lower.

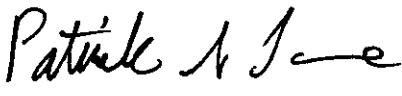
RECOMMENDATIONS AND RATIONALE

It is recommended that the City Council approve the contract with EBCLC to provide advice and representation to low-income clients' of the RAP. The services are needed and because much of the service under this contract is provided by qualified volunteers and law student interns, the program is cost effective.

ACTION REQUESTED BY CITY COUNCIL

Staff recommends that the City Council approve the attached Resolution to enter into the proposed Agreement with the East Bay Community Law Center.

Respectfully submitted,

for 

DAN VANDERPRIEM
Director of Redevelopment, Economic
Development and Housing

Reviewed by:
Janet M. Howley
Acting Deputy Director
Housing and Community Development

Prepared by:
Rick Nemcik Cruz
Rent Adjustment Program Manager

APPROVED AND FORWARDED TO
THE COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE



OFFICE OF THE CITY ADMINISTRATOR

APPROVED AS TO FORM AND LEGALITY:



City Attorney

CITY COUNCIL
OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

**A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO APPROVE A
CONTRACT BETWEEN THE CITY OF OAKLAND AND THE EAST BAY
COMMUNITY LAW CENTER FOR ONE YEAR IN THE AMOUNT OF \$100,000 FOR
REPRESENTATION OF LOW INCOME RENT ADJUSTMENT CLIENTS**

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, contract funds in the amount of \$100,000 are budgeted from the Rent Adjustment Program funds: Fund 1010, Organization 88969, Acct 54900, Project P190010. \$50,000 for fiscal year 2004-2005 and \$50,000 in fiscal year 2005-2006; and

WHEREAS, the proposal of the East Bay 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

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 now, therefore, be it

RESOLVED: that the City Council hereby authorizes the City Administrator or her designee to negotiate and enter into the attached contract with East Bay Community Law Center, Inc.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD
Secretary of the Council
of the City of Oakland