

AGENDA REPORT

TO: Jestin Johnson FROM: Emily Weinstein

City Administrator Director

Department of Housing and Community Development

SUBJECT: Contract for Small Property DATE: September 29, 2025

Owner Representation at RAP

Proceedings

City Administrator Approval Date: Oct 2, 2025

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing: (1) The City Administrator To Enter Into A Professional Services Agreement With The East Bay Rental Housing Association For The Provision Of Representation Services At Rent Adjustment Program Petition Proceedings and Housing, Residential Rent and Relocation Board Appeal Proceedings And Provision Of Technical Assistance To Small Property Owners To Comply With The City's Rent Adjustment And Eviction Laws For A One Year Term, From October 1, 2025 Through September 30, 2026, In The Amount Of \$150,000, Renewable At The City Administrator's Option For Up To Three Additional Years For A Total Contract Amount Not To Exceed \$600,000; And (2) Waiving The Competitive RFP/Q Requirement

EXECUTIVE SUMMARY

The proposed resolution would authorize the City Administrator to contract with the East Bay Rental Housing Association (EBRHA) to provide small property owners with technical assistance to comply with the City of Oakland (City) rent adjustment and eviction laws, including rent registration requirements. It would also authorize EBRHA to represent small property owners in Rent Adjustment Program (RAP) Petition Proceedings and Housing, Residential Rent and Relocation Board (HRRRB) Appeal Proceedings (collectively, "RAP Proceedings") for a period of four years, with funding appropriated one year at a time. Additionally, the resolution would waive the competitive procurement requirements for this four-year contract at the discretion of the City Administrator.

BACKGROUND/LEGISLATIVE HISTORY.

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In May 2022, RAP staff assessed its legal services contracts and determined that the greatest need for supporting equitable program implementation was to focus resources on outreach and legal representation services for low- and moderate-income (LMI) tenants and small property owners in RAP proceedings. RAP staff subsequently initiated a Request for Proposals (RFP) process for these services.

Following review by the Office of the City Attorney, the Department of Workplace and Employment Standards (DWES) published the RFPs. RAP staff received only one response for small property owner services, submitted by the East Bay Rental Housing Association (EBRHA).

On November 1, 2022, the City Council adopted Resolution No. 89483¹, approving a contract with Centro Legal de la Raza to provide outreach and legal representation services for low-income tenants in RAP proceedings. However, regarding the proposed contract for small property owner services, the Community and Economic Development Committee expressed concerns about which property owners would benefit from the program and how the City would define small property ownership. The Committee directed staff to return with a revised proposal.

On January 13, 2023, the City published a revised RFP seeking legal representation services for small property owners in RAP proceedings. For the purposes of the RFP, small property owners were defined as those who own a total of eight or fewer residential rental dwelling units (in Oakland and elsewhere) and whose total household income is at or below 100% of the Area Median Income (AMI) for Alameda County. RAP staff received only one response, again from EBRHA.

On June 20, 2023, the City Council adopted Resolution No. 89790², authorizing the City Administrator or their designee to contract with EBRHA to provide outreach and representation services to small property owners in RAP proceedings, in the amount of \$150,000, for the period from July 1, 2023, through August 31, 2024. EBRHA began providing services in July 2023, despite significant delays in the contracting process.

On November 12, 2024, the City Council adopted Resolution No. 90486³, authorizing an amendment to the professional services agreement with EBRHA to extend the contract term from August 31, 2024, to March 31, 2025.

RAP continues to have a critical need to support equitable program implementation by providing compliance technical assistance and representation services to small property owners in RAP proceedings.

¹ https://oakland.legistar.com/LegislationDetail.aspx?ID=5862352&GUID=17918DFF-F6A1-4D77-B347-ADA163C4FECD

² https://oakland.legistar.com/LegislationDetail.aspx?ID=6185257&GUID=4391A8E7-E664-48BB-BB1B-A6A0377F8962&G=undefined

³ https://oakland.legistar.com/LegislationDetail.aspx?ID=7005623&GUID=957740B5-F80A-4899-BA8B-EC4AFB962A61

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ANALYSIS AND POLICY ALTERNATIVES

RAP is committed to delivering efficient, effective, and equitable services to both tenants and property owners. Currently, RAP provides information and consultation services through telephone, email, virtual meetings, and online workshops. For parties with pending petitions, RAP offers remote mediation prior to each hearing when a settlement conference is feasible. Additionally, RAP facilitates a process known as Community Mediations, which allows tenants and property owners not yet involved in a petition to access remote mediation services.

The recommended Council action supports the City's Housing, Economic, and Cultural Security Priority by expanding equitable access to legal support for small property owners. The services proposed under the new contract with EBRHA are informed by RAP staff's assessment of the specific needs, barriers, and challenges faced by small property owners in the RAP adjudicative process. These challenges include:

- Limited knowledge of legal procedures;
- Language and technology barriers;
- Financial constraints that prevent access to legal representation.

As a result, many small property owners are forced to navigate RAP petitions without legal support, even under difficult circumstances.

RAP currently contracts with Centro Legal de la Raza to provide legal representation to lowand moderate-income (LMI) tenants. RAP now seeks to continue offering similar services to small property owners. The goals of the Representation at RAP Hearings Program are to:

- 1. Ensure that more LMI tenants and small property owners have access to legal representation during RAP hearings and HRRRB appeal proceedings;
- 2. Reduce the displacement of LMI families, particularly communities of color and immigrants, in Oakland;
- 3. Empower LMI tenants and small property owners to pursue negotiated resolutions to legal disputes; and
- 4. Foster and maintain constructive relationships between property owners and tenants through access to legal representation.

Waiver of the RFP/Q Requirements

Waiving the RFP/Q requirements for a contract extension for technical assistance to comply with the City's rent adjustment and just cause laws and representation services to small property owners at RAP Proceedings will secure the continuity of services offered by EBRHA, which has the capacity and experience assisting property owners to understand

and comply with the City's requirements and will increase property owners compliance with those laws including rent registration and RAP Fee requirements.

Program Design and Budget

EBRHA has experience working with property owners, public sector staff, community groups, and other key stakeholders to continue to implement and manage a representation program for small property owners in the City. Under the prior contract, EBRHA provided small property owner outreach and legal representation services in RAP Proceedings.

As shown in **Table 1**, under the prior contract, between July 1, 2024 and December 31, 2024, EBHRA performed the following activities under their Small Property Owner Representation Services (SPORS) program.

Table 1. SPORS Program Services

Number of Property Owners	Services Provided
9	RAP general compliance support (RAP fees, rent registration, business tax, etc.)
4	RAP petition process education
2	Drafting and filing RAP petitions and RAP hearing readiness and preparation
2	RAP hearing representation
2	RAP mediation proceedings
1	Attorney referral
1	Rental housing provider association referral
21	TOTAL

Table 2 provides the demographic data for 21 property owners to whom EBRHA provided services.

Table 2. Demographics

Data Point	Number and percentag	ge
Oakland resident	Oakland residents	5 (24%)
	Non-Oakland residents	16 (76%)
Number of units	One	6 (29%)
own/operate in Oakland	Two-four	11 (52%)
	Five-eight	4 (19%)
Gender	Male	12 (57%)
	Female	8 (38%)

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	Unknown	1 (5%)
Ethnicity	White	3 (14%)
,	Unknown	18 (86%)

EBRHA provided 13 webinars and meetings promoting the SPORS program, and networking mixers, fundraiser events and community and partner events. EBRHA also promoted the SPORS program via social media channels, email, and text (Small Messaging System or SMS), and ad placement in newsletters and monthly magazines.

Proposed Program Expansion Under the Recommended Contract

As of July 31, 2025, owners of approximately 24,000 properties had reported rent and tenancy information for about 76,000 units—out of an estimated 48,000 properties and 96,000 residential units subject to the City's rent registry requirements. The revised scope of work for the current SPORS program contract will include a targeted *Community-Centered Compliance Outreach* campaign. This campaign aims to improve compliance among property owners and managers responsible for an estimated 15,000 to 20,000 unregistered rental housing units in the City. Strategies will include data aggregation and verification, direct marketing, digital tools, social media outreach, owner incentives, and grassroots ambassador activities. The goal is to drive increased registration and overall compliance, including payment of the business license tax and RAP fees. This effort also presents new revenue generation opportunities for both RAP and the City.

To enhance outreach and compliance efforts during the recommended contract term, RAP is categorizing rental housing providers into five compliance tiers based on:

- Portfolio size
- Financial capacity
- Regulatory knowledge
- Owner-occupancy status
- Risk of non-compliance

This tiered approach allows RAP to tailor communication, incentives, and support—particularly for Tier 4 and Tier 5 providers, who present the highest risk of non-compliance and have the lowest visibility.

Compliance Tiers Overview

Table 3. Compliance Tiers

<u>Tier</u>	<u>Description</u>	Risk & Visibility
Tier 1	Large, institutional owners (50+ units)	Very Low risk, Very High visibility

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<u>Tier</u>	<u>Description</u>	Risk & Visibility
Tier 2	Small developers, independent rental owner- operators or IROs (21–50 units)	Low risk, High visibility
Tier 3	Small businesses, family-owned (5–20 units)	Moderate risk, Low visibility
Tier 4	Small multi-units (2–4 units), often owner- occupied	High risk, Very Low visibility
Tier 5	Single-family homes, ADUs, undocumented units	Very High risk, Invisible/shadow inventory

Key Definitions

- Visibility: How easily properties can be tracked in public databases.
- Risk: Likelihood of compliance based on awareness, resources, and capacity.

Proposed Program Expansion

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Under the recommended contract, a 12-month campaign is proposed to engage approximately 20,000 rental units, with a focus on Tier 4 and Tier 5 properties. The funds will support the outreach campaign targeting property managers, while also funding legal representation services for small property owners in RAP Proceedings. EBRHA will provide representation services exclusively to small property owners—defined as those with eight or fewer units subject to RAP ordinances and regulations. Services will include, but are not limited to, full representation in negotiations, hearings, and mediations related to RAP Proceedings.

The recommended Council action will enable EBRHA to provide technical assistance to at least 240 property owners to support compliance with the City's rent registry requirements. Additionally, EBRHA will do the following:

- Make at least 20,000 contacts through outreach, promotion, and marketing efforts; and
- Assist at least 120 small property owners with compliance issues, including RAP annual service fees, rent registration, and business tax requirements.

While RAP may continue to refer small property owners seeking legal representation to EBRHA, such referrals are not required under this program. EBRHA's proposed contract cost is based on an estimated minimum of 32 staff hours per week. EBRHA acknowledges that demand for legal services exceeds available capacity in the city and has committed to serving at least 120 small property owners in RAP petition proceedings, Rent Board appeal proceedings, mediation facilitation, and hands-on compliance support under this contract. Unlike a traditional law firm model, EBRHA's approach relies on rent control-trained specialists who have access to legal counsel, rather than an attorney-led process. EBRHA has also secured additional funding from other sources to support outreach, screening, and initial consultations.

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Reporting Requirements

EBRHA will be required to report not only on the number of individuals served but also on measurable outcomes and the overall success of the program. EBRHA must track and maintain records on the number of clients served across all service areas, including eligibility verification and types of contact. Statistical data must be collected for each client, including a unique client ID, zip code, sex, race, ethnicity, and dates of intake and service. Outcome reporting must include, but is not limited to the below:

- 1. Rent increase compliance;
- 2. Decreased housing services compliance;

These data points and outcome measures will be finalized and incorporated into the Professional Services Agreement. EBRHA will submit monthly monitoring reports as part of its billing to the RAP office, in accordance with the agreement. Staff will provide annual reporting on EBRHA contract performance in RAP's annual reporting to City Council every Fall.

<u>Alternatives</u>

An alternative to authorizing the recommended contract extension with EBRHA and waiving the RFP requirements is to issue a new RFP. However, this approach would likely result in a significant delay in the delivery of critical outreach, representation, and technical assistance services to small property owners, and would hinder compliance with the City's rent adjustment and eviction laws.

FISCAL IMPACT

The recommended contract amount is \$150,000 per year. If extended at the City's option for three additional years, the total amount will be \$600,000. Funding for the contract and the first option year in the amount of \$300,000 is included in the FY 2025-27 Adopted Biennial budget in Rent Adjustment Program Fund (2413), Residential Rent Arbitration Organization (89969), Third Party: Grant Contracts Earned Account (54912), Rent Arbitration P180020 Project (1001110), and that funding for the third and fourth option years in the amount of \$150,000 annually are contingent upon funding availability and the adoption of the future budget cycle. These funds are restricted to be used by the Rent Adjustment Program through Ordinance No. 12517⁴ C.M.S.

PUBLIC OUTREACH / INTEREST

⁴https://library.municode.com/ca/oakland/codes/code_of_ordinances?nodeId=TIT8HESA_CH8.22REREA_DEV_ARTIVREPRSEFE

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Through email communications, RAP informed property owner and tenant organizations such as Centro Legal de la Raza, Eviction Defense Center, the Oakland Tenants Union, and In It Together about seeking Council authorization for a new contract with EBRHA and waiver of the RFP requirement for the contract.

COORDINATION

The City Attorney's Office and the Budget Office have reviewed this report. The Department of Workplace and Employment Standards also contributed to this report.

SUSTAINABLE OPPORTUNITIES

Economic: This contract will support the implementation of the Rent Adjustment Ordinance and help preserve Oakland's affordable housing stock for families, seniors, and residents with disabilities. By improving property owner compliance with the City's rent adjustment and eviction laws, the contract will help prevent wrongful displacement of tenants. It will also promote constructive relationships between property owners and tenants by ensuring access to legal representation during RAP proceedings.

Environmental: The contract will contribute to mitigating adverse environmental impacts associated with existing rental housing by facilitating the resolution of petitions involving code violations and deferred maintenance. In doing so, it may uncover health and safety hazards, encouraging both tenants and property owners to take a vested interest in maintaining safe, habitable housing and fostering stability in established neighborhoods.

Racial & Equity: This contract will enhance the social fabric of Oakland's neighborhoods by supporting long-term tenancies and promoting housing stability. It will improve compliance with rent adjustment and eviction laws while empowering both small property owners and tenants to resolve disputes through negotiation and representation. By providing small property owners with access to expert guidance, the contract helps prevent conflicts stemming from unlawful rent increases or reductions in housing services. It also ensures that low- and moderate-income tenants, the majority of which are Black and other people of color in Oakland, can access safe, affordable, and healthy housing.

ACTION REQUESTED BY THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution Authorizing: (1) The City Administrator to Enter Into A Professional Services Agreement With The East Bay Rental Housing Association For The Provision Of Representation Services At Rent Adjustment Program Petition Proceedings and Housing, Residential Rent and Relocation Board Appeal Proceedings And Provision Of Technical Assistance To Small Property Owners To Comply With The City's Rent Adjustment And Eviction Laws For A One Year Term, From October 1, 2025 Through September 30, 2026, In The Amount Of \$150,000, Renewable At The City

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Administrator's Option For Up To Three Additional Years For A Total Contract Amount Not To Exceed \$600,000; And (2) Waiving The Competitive RFP/Q Requirement.

For questions regarding this report, please contact the Rent Adjustment Program Manager, Victor Ramirez, at 510.238.3220.

Respectfully submitted,

Emily Weinstein

Emily Weinstein

Director, Housing & Community Development

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