

# City of Oakland Office of Planning, Building & Neighborhood Preservation Proposed Program Design for Proactive Code Enforcement Operations



## Code Enforcement Program Goals

Code Enforcement services are currently provided within Building Services as part of the City of Oakland's responsibility to protect the health and safety of residents and the City overall, as well as to promote economic and community development efforts. The scope of these services has grown over time to address a wide range of complaint-driven municipal code violations related to construction and land uses on private property and in the public right-of-way citywide. As described in previous reports to the City Council, the City is transforming Code Enforcement services to proactively address **major public safety** and **health** problems, as well as facilitating **economic revitalization** opportunities in Oakland. This represents a sea change in Code Enforcement operations which, over the past fifteen (15) years, has been mainly based upon complaints received. With the reduction in public resources and major problems in Oakland that require code enforcement as a problem-solving tool, the City has an opportunity to strategically align its limited code enforcement services, create proactive referral and resource pipelines, and partner with other agencies throughout the City organization and community-wide. A scan of code enforcement programs in other jurisdictions shows that multiple jurisdictions are moving in the direction of also prioritizing proactive inspections.

Preliminary planning discussions have occurred with interested groups and constituents including the following:

- City of Oakland: (former) CEDA Building Services Division, CEDA Housing, Oakland Police Department (OPD), Oakland Fire Department (OFD), Neighborhood Services Division, Oakland City Attorney's office (OCA) and the Neighborhood Law Corp, Council offices
- Alameda County Public Health Department and the Lead Poisoning Prevention Program
- The Medical/Legal Collaborative of Children's Hospital and East Bay Community Law Center
- Public Health Law & Policy
- Oakland Realtor's Association
- Audit Oakland CEDA
- Alliance of Californians for Community Empowerment (AACE)
- Causa Justa::Just Cause
- Oakland Community Organizations (OCO)
- California Reinvestment Coalition
- SEIU Local 1021

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# Data Driving New Proposed Program Redesign

Through preliminary discussions with interested groups and constituents listed above, as well as a review of relevant research and data, the following areas have been identified as priority areas for proactive code enforcement services.

- I. **Public Safety**
- II. **Public Health**
- III. **Major Barriers to Neighborhood Revitalization: Foreclosure Crisis**
- IV. **Major Barriers to Economic Development**



## I. Public Safety

The Oakland Police Department has identified the following main priorities for code enforcement operations:

1. Abandoned homes that are utilized for criminal activities, including prostitution and gang activities, or stripped of materials for sale, such as copper wiring and water piping.
2. Properties that are utilized for criminal activities, such as gang activities.
3. Illegal dumping that is a source of blight, potential public health hazards, and barrier to neighborhood revitalization efforts.



# Data Driving New Proposed Program Redesign

## II. Public Health

Extensive research demonstrates the linkage between poor quality housing conditions and negative health impacts such as infectious and chronic diseases, injuries and disruption to neurological development. These negative health impacts disproportionately affect children and low-income tenants with limited ability to improve their housing conditions. For example:

- Lead poisoning due to ingestion of paint chips or inhalation of paint dust in older homes can affect every system in the body<sup>1</sup>, including causing irreversible brain and nervous system damage in children.
- Substandard housing conditions such as water leaks, poor ventilation, dirty carpets and pest infestations can lead to an increase in mold, mites and other allergens associated with respiratory conditions including asthma.
- Serious injuries occurring in the home can result from factors such as unsafe staircases and balconies, lack of safety devices such as window locks and smoke and carbon monoxide detectors, and substandard heating systems.<sup>2</sup>
- Most Americans spend about 90% of their time indoors, an estimated two-thirds of which is spent in the home.<sup>3</sup> Very young children spend even more time at home and are especially vulnerable to unsafe or unhealthy housing conditions.
- Poor indoor air quality, lead paint, lack of home safety devices, and other housing hazards often coexist in homes, compounding the health risks of poor housing conditions. Lower income families are both more likely to suffer from unhealthy and unsafe housing conditions and less able to access financial resources to remedy those hazards, contributing to socioeconomic disparities in negative health impacts.



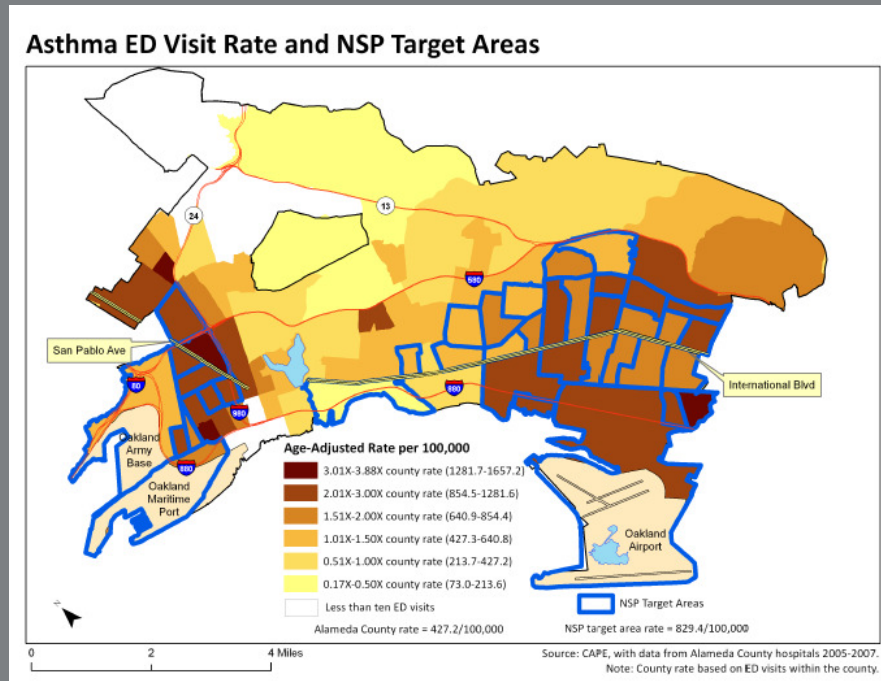
The following are key datapoints regarding Oakland's housing conditions and public health issues:

### Substandard housing data points:

- Of over 164,000 housing units in Oakland, over 50% are multiple-family units<sup>4</sup> and a majority of Oakland households are renters, about 58.6% in 2000.<sup>5</sup>
- Empirical evidence suggests that communities with high proportions of housing more than forty (40) years old, lower-income households, and rental housing will usually have a higher proportion of housing in need of repair than similar communities with higher incomes and a higher proportion of ownership housing.<sup>6</sup>
- The National Center for Healthy Housing's 2009 study of health-related housing problems in the nation's largest Metropolitan Statistical Areas, the City of Oakland was rated the 39<sup>th</sup> least healthy central city out of forty-four (44) jurisdictions surveyed, with nearly 60% of housing units showing one or more health-related problems. Oakland's housing stock ranks among the oldest and most heavily rental of the cities surveyed.<sup>7</sup>
- According to the 2000 Census, approximately 2,200 dwelling units had no heating systems, over 1,600 dwelling units lacked complete plumbing, and nearly 2,650 dwelling units lacked complete kitchen facilities.<sup>8</sup>
- 30% of Oakland's housing stock may need some level of repair, from deferred maintenance to substantial rehabilitation.<sup>9</sup>
- Housing conditions in the City's oldest, poorest neighborhoods with the highest proportion of renters are likely to suffer the most from substandard housing conditions.<sup>10</sup>
- 90% of the housing stock was built prior to 1980 and 65% of the housing stock was built prior to 1960.<sup>11</sup>



## Data Driving New Proposed Program Redesign



### Asthma:

- Approximately 40% of diagnosed asthma among children is believed to be attributable to residential exposures.<sup>12</sup>
- The average asthma hospitalization rate for 5-17 year olds in the City of Oakland is 2,813 per 10,000 persons.<sup>13</sup>
- The hospital Emergency Room visit rate for Oakland is 726.3 per 100,000 and a disproportionate number of low-income African American and Latino minority groups are impacted.<sup>14</sup> African American children in California are four (4) times more likely to be hospitalized compared to white children. African American and Latino children living in urban areas are two (2) to six (6) times more likely to die from asthma than whites.<sup>15</sup>
- Estimated cost of asthma in Oakland residents due to ER visits and hospitalizations is nearly \$30 million per year, excluding lost work and school days.<sup>16</sup>

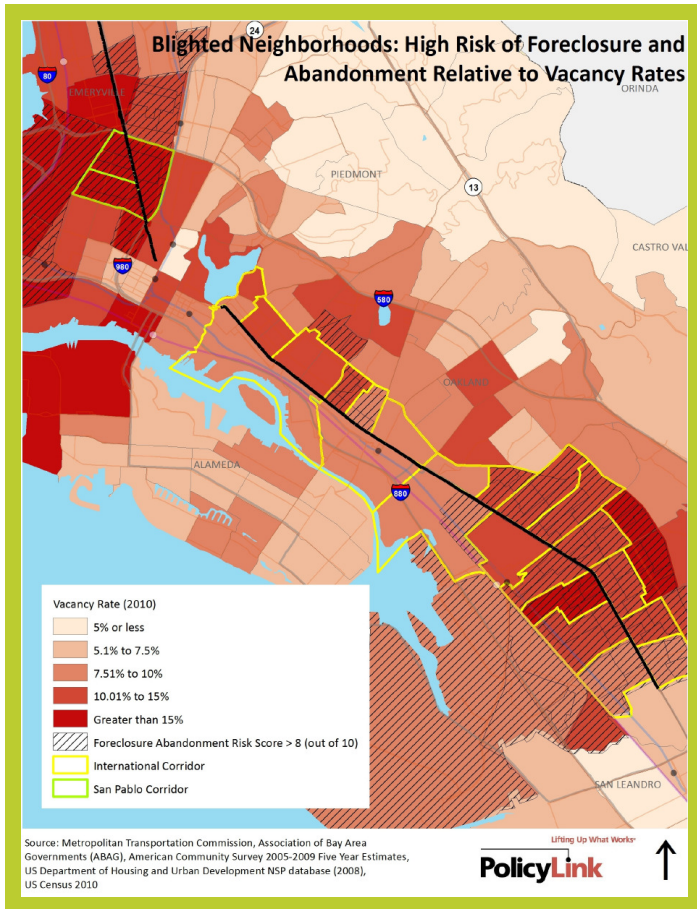
### Lead poisoning data points:

- Up to two-thirds of housing units in Oakland may contain lead-based paint.<sup>17</sup>
- Of the 1,751 lead poisoned children in AC recorded between 2000 and 2010, 62% were reported in the City of Oakland, more than all other cities in the County combined.<sup>18</sup>
- The Alameda County Lead Poisoning Prevention Program reports that lead poisoning is particularly prevalent in the West Oakland, San Antonio, Fruitvale, and East Oakland areas, which have a confluence of low household incomes, low rents, concentrations of older housing (much in deteriorated condition), and concentrations of families with children under the age of seven.<sup>19</sup>
- Estimated annual cost of lead poisoning in Oakland is \$150 million per year in medical services, special education, disabilities and lost wages.<sup>20</sup>

### Pests:

- Of the 5,869 calls received by Alameda County Vector Control department in 2010, 43% came from the City of Oakland. Of these calls, 30% were for rats and mice, 11% for roaches, fleas and bedbugs, and 5% for rubbish and garbage.<sup>21</sup>

## Data Driving New Proposed Program Redesign



### III. Major Barriers to Neighborhood Revitalization: Foreclosure Crisis

As identified by Oakland residents and research, the foreclosure crisis in Oakland has resulted in significant impacts to Oakland's economic development and public health and safety including blight, abandoned homes, furthering the housing market crisis and attendant impact to public service revenue streams, and barriers to neighborhood revitalization efforts. The following are key datapoints regarding Oakland's foreclosure crisis:

- A recent report from the Urban Strategies Council shows that Oakland faces a severe and worsening foreclosure crisis—between 2006 and 2010, there were 18,489 Notice of Defaults issued (at a rate of 1 in 8 Oakland households) and 8,009 Real-Estate Owned (REO or completed foreclosures) (at a rate of 1 in 19 Oakland households).
- The USC report estimates that the costs to all stakeholders involved including homeowners, the City of Oakland, neighborhoods, and lenders will be more than \$875 million.
- The areas hit hardest by foreclosures are in flatland neighborhoods.

### IV. Major Barriers to Economic Development

As identified by the City's Economic Development and Code Enforcement staff, as well as business associations, significant blight and other code violations that are barriers to economic development include:

- Blight conditions and unauthorized uses on private and public property within commercial corridors and major development opportunity sites.



**From 2006 – 2010, one in eight Oakland households received a notice of default. The total cost of Oakland's foreclosure crisis will exceed \$875 million.**

# Proposed Program Focus

There are currently thirteen (13) inspectors who conduct an annual workload of about 8,000 new code complaints and 35,000 code enforcement inspections on private residential, commercial, and industrial properties, as well as the public right-of-ways citywide. We are proposing to focus code enforcement inspection services on the following areas that would address the major problems in Oakland, as described above:

- I. **Blighted Foreclosed Properties**
- II. **Public Safety**
- III. **Multiple-Family Substandard Properties**
- IV. **Public Health Pilot Program**
- V. **Commercial Corridors**



## I. Blighted Foreclosed Properties

The City began piloting a new focus on blighted foreclosed properties with a dedicated inspection team about ten (10) months ago, which has resulted in the following outcomes thus far:

- Over 2,900 units foreclosed units inspected and over 1,500 vacant and foreclosed units registered.
- 100% clean-up of targeted properties by the bank-owners since August 2011
- 100% collected or in process of direct collection of all associated fees and penalties since August 2011
- Over \$1.5 million collected from registration and blight abatement programs.

Through operating this new program, City staff has identified significant problems, such as blighted properties that have received a Notice of Default, but have not yet been foreclosed upon, and will be recommending local legislative solutions that would result in the expansion of the existing program.

**STATUS:** *In operation for about ten (10) months; proposal to expand ordinance to address vacant properties that have received a Notice of Default targeted for March 27 CED Committee meeting.*

## II. Public Safety

Building upon the City's current collaboration between Code Enforcement inspectors and OPD officers and the Neighborhood Services coordinators, staff is proposing to improve the referral and coordination system, prioritize properties with significant criminal activities, as well as focus on neighborhoods with the highest rates of crime—as part of Mayor Quan's 100 blocks approach. New efforts will include the following:

- Honing the referral pipeline to major issues in the 100 blocks.
- Developing a short video for OPD officers.
- Updating the referral form for OPD officers and others.
- Creating an integrated online system for tracking problems and showing the resolution of those problems, to be shared by Code Enforcement, OPD, and OFD.
- Developing community information tools to communicate the program, its outcomes, and resident participation opportunities.

**STATUS:** *Expanding on existing partnerships with OPD and Neighborhood Services Division.*

## III. Multiple-Family Substandard Properties

- A. We are developing **proactive referral pipelines** to enable the City to focus inspections on buildings with egregious and/or common area habitability problems, such as the lack of heating or plumbing infrastructure problems. We will need to operate mindfully regarding associated issues of possible retaliatory activities, relocation funds, and possible removal under rent control protections and will work closely with community partners in designing the new programming. Referral pipelines will include: the Oakland Fire Marshal; OPD community policing officers and Neighborhood Service coordinators; the Oakland Rent Adjustment Board; legal service agencies providing assistance to Oakland tenants, such as the East Bay Community Law Center, Centro Legal de la Raza, and Bay Area Legal Aid; and tenant counseling agencies, including Causa Justa::Just Cause.

**STATUS:** *in development.*

- B. Staff is also proposing to **explore a proactive rental housing inspection program** that exists in many jurisdictions around the nation, including Hayward, San Francisco, San Jose, Los Angeles, and Sacramento. A summary comparing the policies of several cities is included as **Attachment A: Comparison of Rental Inspection Programs in 4 California Cities.**

We understand the need to work with key stakeholders in the development of this policy, such as the Oakland Rental Housing Association and tenant associations. Some jurisdictions, such as Los Angeles, appear to have the full support of their Rental Housing Associations and Los Angeles has offered to meet with Oakland representatives. A possible pilot program could focus on addressing key neighborhoods with the highest density of rental housing.

**STATUS:** *in preliminary assessment stage—requires discussion with multiple stakeholders.*



## IV. Public Health Pilot Program

The City is working with the County Public Health Department, Lead Poisoning Prevention program, the Medical-Legal Collaborative between Children's Hospital and the East Bay Community Law Center, and other groups in the development of a new pilot program that would provide the following:

- Create proactive referral pipelines from medical providers who have identified young patients with asthma who live in housing conditions that are contributing factors to the asthma to County case managers who will then refer cases to a dedicated and trained team of Code Enforcement inspectors.
- A new team of Code Enforcement inspectors and County case managers will work together to address the housing condition problems, combining enforcement activities with resources and education.
- On cases involving lead poisoning, since the County already has inspectors and enforcement authority, the focus will be on a higher-level coordination effort between the City and County to address housing rehabilitation issues.

The pilot program will work through potential concerns regarding possible or fear of retaliatory action against the tenants. We will also need to clearly document the code enforcement action in order to prevent rent increases based upon rehabilitation work.

Code Enforcement will continue to implement the health and safety goals of Building Services through abatement of unpermitted construction that endangers the public and erodes property values.

**STATUS:** *in development with Alameda County, Children's Hospital and other partners.*

## V. Commercial Corridors

We are proposing to focus limited commercial/ industrial/right-of-way inspection resources (2 inspectors) on addressing priority private property blight and zoning/ sidewalk use violations within Oakland's commercial corridors (e.g. storefront maintenance, signage, permitted activities and facilities, etc). Identification of what the Building Services priorities are would need to occur in partnership with local business associations and BIDs in those corridors. We would select a few corridors in which to pilot the new program.

**STATUS:** *in preliminary development—requires further discussion with business community, City economic development staff, and other stakeholders.*

## Addressing Other Blight and Code Violation Issues

With reduced public resources, it is impossible for the City to respond to all constituent complaints. While we believe that it's in the strategic interests of Oakland as a whole to focus limited inspection resources on addressing major problems in Oakland, we are developing ways in which we can provide limited assistance on other issues, such as the following strategies:

- **Minor Blight Violations**—the Building Services staff developed a new protocol for addressing minor blight violations—utilization of a courtesy notice and return of self-certified and documented abatement action by the property owner. This courtesy notice procedure is also being used in other jurisdictions such as Sacramento.
- **Minor Zoning Violations**—Building Services staff will use the new courtesy notice protocol to address minor zoning violations that do not directly impact public health and safety. These could include some unapproved uses and facilities on residential and commercial properties, such as excessive paving and fence heights, commercial use of residential properties, nuisance noise and lighting, illegal advertising, etc.
- **Minor Right-Of-Way Violations**—due to limited authority and enforcement tools, unauthorized use of public streets and sidewalks is an area of municipal code enforcement where Building Services staff has limited tools to fix the actual problems. To support the City's economic revitalization goals, code enforcement of commerce-related elements of the public right of way citywide (e.g. news racks, merchandise display, mobile food vending, etc) should be part of a future commercial compliance initiative as proposed by the City Administrator's office as a medium-term structural change (FY 2011-13 Proposed Amended Policy Budget, 1/23/12, pg. 23).
- **Improving Access to Resource Referral Information**—staff is in the process of developing a resource guide including information about eligibility, services offered and how to contact other agencies for resources related to home repair and rehabilitation, animal and pest control, landlord-tenant mediation, legal assistance and other services frequently sought by constituents contacting Building Services.

## Timeline

After the overall program design goes to the City Council in the Spring 2012 comprehensive report, we plan on spending a year piloting the new programs and evaluate outcomes including the number of inspections performed, results from inspections, community and economic development benefits that flowed from code enforcement activities, complaints that were not handled, resolution based upon new courtesy notice system, and fiscal impact. A follow-up report will then be issued to Council and the public to assess the viability of maintaining the new program design.

<sup>1</sup> U.S. Centers for Disease Control, [www.cdc.gov/nceh/lead](http://www.cdc.gov/nceh/lead).

<sup>2</sup> Robert Wood Johnson Foundation Commission to Build a Healthier America Issue Brief 2: Housing and Health, September 2008 (RWJ Brief 2), citing to: Krieger J and Higgins DL, "Housing and Health: Time Again for Public Health Action," *Am J Public Health*, 92(5), 2002; Shaw M, "Housing and Public Health," *Annu Rev Public Health*, 25, 2004.

<sup>3</sup> RWJ Brief 2, citing to: Klepeis NE et al. "The National Human Activity Pattern Survey (NHAPS): A Resource for Assessing Exposure to Environmental Pollutants." *J Expo Anal Environ Epidemiol*, 11(3), 2001.

<sup>4</sup> City of Oakland Housing Element, 2007-2014 ("Housing Element"), pp. 95.

<sup>5</sup> *Id.* at 96.

<sup>6</sup> *Id.* at 99-100.

<sup>7</sup> National Center for Healthy Housing, 2009, <http://www.nchh.org/Policy/State-of-Healthy-Housing/Location-Summary/tabid/346/msa/27/Default.aspx>

<sup>8</sup> City of Oakland Analysis of Impediments to Fair Housing, January 2011 ("Fair Housing"), pp. 35.

<sup>9</sup> *Id.*

<sup>10</sup> *Id.* at 36.

<sup>11</sup> Housing Element at 100.

<sup>12</sup> RWJ Brief 2, citing to Lanphear BP et al, "Residential Exposures Associated with Asthma in U.S. Children," *Pediatrics*, 107(3), 2001; Lanphear BP et al,

"Contribution of Residential Exposures to Asthma in U.S. Children and Adolescents," *Pediatrics*, 107(6), 2001.

<sup>13</sup> Alameda County Lead Poisoning Prevention Program (ACLPPP), citing to California Breathing, American Lung Association of the East Bay and 2010 Patient Discharge Database from Oakland hospitals Children's Hospital Oakland, Kaiser, Summit and Alta Bates.

<sup>14</sup> *Id.*

<sup>15</sup> U.S. Environmental Protection Agency, citing to the National Institute of Allergy and Infectious Diseases, 2001-02, found at: <http://www.epa.gov/region9/childhealth/asthma-california.html>.

<sup>16</sup> ACLPPP, based on data from CA Dept. of Public Health, "The Burden of Asthma," June 2007.

<sup>17</sup> Fair Housing at 35.

<sup>18</sup> ACLPPP, citing to CA Dept. of Public Health, RASSCLE database, 2011.

<sup>19</sup> City of Oakland Housing Element, 2007-2014, pp. 102.

<sup>20</sup> ACLPPP, based on data from Landrigan, PJ, et al. "Environmental Pollutants and Disease in American Children," *Environmental Health Perspectives*, Vol. 110, No. 7, July 2002.

<sup>21</sup> ACLPPP, citing to Request for Service by City for Alameda County, Jan-Dec 2010, AC Vector Control Services.



# Comparison of Rental Inspection Programs in 4 California Cities

# Attachment A

City	San Jose	San Francisco	Sacramento	Los Angeles
Name	<i>Residential Occupancy Permit Program</i>	<i>Healthy Housing and Vector Control Program</i>	<i>Rental Inspection Program</i>	<i>Systematic Code Enforcement Program (SCEP)</i>
Housing Stock	Stated goal of covering all 3+ unit buildings on a 5- or 6- year cycle, inspections are scheduled based upon date of last inspection. The original order of inspection was probably determined by starting with the neighborhoods containing the least well-maintained structures.	Covers all apartment buildings with 3+ occupied rental units, a 100% target coverage, with all structures inspected once every 3 years.	Covers all multi-unit housing structures, a 100% target coverage, with all structures inspected sometime in their first 5 years. Some are eligible for self-certification after that. All owners not claiming home owner's exemption in registered tax filings are deemed eligible for inspection.	Covers all 2+ unit buildings on a 4-year cycle. A methodology was developed to assign risk scores to each property covered under their proactive inspection program, and the inspections are then prioritized based on that score.
Fees	\$40 per unit per year, with a \$175 re-inspection fee if, upon second inspection, previously cited violations are still uncorrected, necessitating further visits. The program is fully cost recoverable.	\$55 (3 units) - \$432 (30+ units) per building per year. Since multi-unit rental owners pay the majority of the fees, they receive the majority of inspections.	\$28 per unit per year. The program is close to fully cost recoverable.	Property owners are charged \$43.32/unit, per year whether or not the units are inspected during that year. The fee is paid to the LA Housing Dept. annually and covers a rental housing habitability inspection and one re-inspection if a "Notice to Comply" is issued. Inspection fees are deposited into the Code Enforcement Trust Fund, a special revenue fund managed by the Department.
Agenda	Inspections are comprehensive, covering interiors, exteriors, common spaces, electrical, structural, etc.	Inspections include exteriors and common spaces only; interiors are not inspected. Focus on environmental conditions that can increase risks for vector-borne disease.	Inspections are comprehensive, covering exteriors, common spaces, electrical, structural, etc. 10% of units per building randomly selected for interior inspection.	The original ordinance mandated at least one inspection of each multi-family residential unit be conducted every 3 years.
Notice/Access	Owners are instructed to notify tenants of scheduled inspections, and tenant refusal isn't a significant problem.	N/A. No interior inspection, so access is not an issue.	The tenant must authorize interior inspection and landlords are instructed to collect consent forms. Tenant refusal does occasionally occur, and leads to the inspection being rescheduled for one year later.	The LA Housing Dept. schedules each property for an inspection and mails a notice to each rental property owner approximately 30 days before the scheduled inspection. A second notice is posted on site 5-7 days prior to the scheduled inspection to inform tenants of the date and time.
Tenant Relocation	The city extends limited relocation assistance to tenants. Owners assume responsibility if they are deemed at-fault for the residence being uninhabitable. In some situations, a voucher can be issued for a brief hotel stay. Links to various brochures provided to businesses and residences can be found on website.	Need further information.	There is some available tenant relocation assistance; residents displaced due to code violations can be eligible for up to two month's rent, billed to their property owner.	The tenant Relocation Inspection Program provides relocation benefits for eligible or qualified tenants who are required to vacate their homes due to hazardous conditions deemed to be owner controlled, and which threaten the immediate health and safety of the building occupants. Additionally, tenants who live in homes with unabated but cited violations that do not require they vacate can deposit their rent in a city escrow program until the owner reached compliance.
Collaboration	The program has strived to collaborate with property owners and managers. For example, the Tri-County Apartment Association meets annually with Code Enforcement to discuss the coming year's fee structure, and partners with the city on efforts like Project Blossom, a six-week training course for new property owners. This collaboration has helped build support for the inspection program.	Need further information.	The Rental Housing Association was initially opposed, but through engagement in program design, shifted to support the program. Other community partnerships include the Human Rights Housing Commission; Legal Services of Northern CA; and other advocacy groups.	The LA Rental Housing Assn leadership has been active supporters of the program and willing to visit other jurisdictions to discuss the program. In addition, LA worked with nonprofit groups on a HUD marketing grant for lead hazard identification and mitigation utilizing culturally & linguistically appropriate materials. This collaborative effort made tenants more comfortable with inspections and less susceptible to landlord intimidation, which increased inspectors' access.