

CITY OF OAKLAND—OFFICE OF THE CITY ADMINISTRATOR

COUNTY OF ALAMEDA

DECISION OF THE INDEPENDENT HEARING OFFICER

In re: 955 57th Street, Oakland, California)	Code Enforcement Case No. 1303769
)	
<i>Appellant:</i>)	Hearing Officer: Michael H. Roush
)	
955 57 th LLC)	
955 B 57 th Street)	
Oakland, CA 94609)	<i>Hearing Dates:</i> May 23 and 24, 2023
)	
<i>Property Address</i>)	<i>Location:</i> Via Videoconference
)	
955 57 th Street, Oakland, CA 94608)	

I

INTRODUCTION

The instant appeal concerns whether the City of Oakland’s Planning and Building Department, Bureau of Buildings, erred or abused its discretion by issuing to the owner of real property located at 955 57th Street, Oakland, California (“the Subject Property”) an Order to Abate—Habitability Hazards based on the existence of certain conditions in and on the Subject Property. The appeal was heard on May 23 and 24, 2023 and conducted via videoconference before the undersigned independent hearing officer.

The Subject Property is owned by Appellant 955 57th LLC (“Appellant”). Appellant was represented at the hearing by Stephen J. Hassing, attorney at law. The City was represented by Deputy City Attorney Patrick Bears. David Miles, former Specialty Combination Inspector and currently an Inspection Supervisor, Chris Candell, Inspector, and Tim Low, Inspection Manager, testified on behalf of the City. Miguel Jara, General Manager of Supreme Markets, Fred Miers, architect, and Steven Hassing, attorney, testified on behalf of the Appellant. In addition to the live testimony received during the hearing, Appellant and the City submitted numerous documents which were received into evidence.

At the conclusion of the hearing, it was agreed that the parties would submit post hearing briefs. The hearing officer received those briefs on June 26, 2023.

II

FACTUAL FINDINGS

Appellant owns the Subject Property. In 2013 and 2014, then Specialty Combination Inspector David Miles from the City’s Bureau of Buildings inspected the Subject Property. He observed work performed at the Subject Property that in his determination required permits from the City. This work included alterations to windows, the removal of interior walls, the construction of new walls,

construction of a loading dock, door and canopy, installation of refrigeration equipment with associated electrical, mechanical, and plumbing work, refrigeration units on the rooftop, installation of air circulation/distribution system, installation of a sump and pump drain at the loading area, and alterations to exterior windows. Mr. Miles found no permits for this work in City records. Without the required permits for this work, he determined the work violated various sections of the City's Building Maintenance Code.

Based on that determination, the City issued Appellant a Notice of Violation. (City Exhibit A.) Thereafter, in 2014, the City and Appellant entered into a Rehabilitation Schedule—Work Plan ("Compliance Plan" [City Exhibit B]). The purpose of the Compliance Plan was to resolve the violations on the Subject Property. As part of the Compliance Plan, Appellant agreed to obtain the necessary permits to legalize or remove work that had not been permitted. In addition, to satisfy the Compliance Plan's requirements, the Appellant agreed to apply for a conditional use permit for those improvements for which the Planning Department's approval was necessary, for example a reduction to the side yard setback, design review for the canopies and loading dock, etc. (Appellant's Exhibit 2.) Appellant retained an architect, Fred Miers, to assist in obtaining these planning approvals. (See Appellant's Exhibits 6, 7, 9.) Ultimately, however, the Planning Commission denied Appellant's application. (Appellant's Exhibit 3.) Appellant filed a petition in the Superior Court for the County of Alameda for a writ of mandate to overturn the Commission's decision.

Following further inspections of the Subject Property by Inspector Candell, in January 2020, the City issued a letter to Appellant advising that (i) the Commission's decision rendered the Compliance Plan void, (ii) the violations of the Building Code on the Subject Property still existed and (iii) the City would proceed with code enforcement. (City Exhibit H.) Three months later, the City sent Appellant a follow up letter to the same effect. (City Exhibit I.) The letter included an updated reinspection notice with a list of violations, a compliance deadline, and advised Appellant that fines would accrue and other enforcement action taken if the deadline was not met. (*Id.*)

When Appellant did not apply for any of the permits by the City's deadline, on October 4, 2021, the City's Planning and Building Department, Bureau of Buildings, issued an Order to Abate—Habitability Hazards ("Order to Abate" [City Exhibit C].) The Order to Abate identified unpermitted work, cited to various sections of the Oakland Municipal Code that were violated due to that unpermitted work, set forth what was necessary to abate the violations, and ordered the Appellant to do a number of things, such as within 30 days execute a Compliance Plan and obtain all necessary permits. (City Exhibit C.)

Appellant filed a timely administrative appeal to the Order to Abate. (City Exhibit G.) The appeal set forth numerous reasons why it was an error or an abuse of discretion for the City to have issued the Order to Abate. The appeal stated, for example, that no habitable conditions exist on the Subject Property that constitute a threat to the health, safety or welfare of the occupants and the public; the Subject Property is neither a substandard building nor a public nuisance; and permits have been applied for and/or attempted to be applied for but the permits have been wrongfully withheld in a discriminatory, retaliatory and vindictive manner. (City Exhibit G.)

Concerning the Planning Commission's decision to deny Appellant's planning application, the Superior Court denied Appellant's petition for a writ of mandate and Appellant filed a Notice of Appeal in the First District Court of Appeal. The Court of Appeal in March 2023 affirmed the decision of the Superior Court denying Appellant's petition for a writ mandate. (Appellant's Exhibit K.)

Appellant thereafter again retained the services of architect Miers to assist Appellant in obtaining the necessary planning approvals and building permits to bring the Subject Property into compliance with the City's Codes. At the time of the hearing, Appellant had not obtained such approvals or permits.

On May 23 and 24, 2023, the undersigned hearing office heard Appellant's appeal of the Order to Abate.

III

DISCUSSION

A. Legal Authority to Issue an Order to Abate.

As a preliminary matter, under the State Constitution as well as under the City's municipal police power, the City is authorized to "make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws." *City of Monterey v. Carrnshimba* (2013) 215 Cal. App. 4th 1068, 1086, *citing* Cal. Const. art XI. Section 7. State law authorizes a city to issue notices to property owners to abate violations of state and local building codes. Health and Safety Code, section 17980; cities may elect to enforce such orders through administrative procedures. Health and Safety Code, section 17980.5. Under the Oakland Municipal Code ("OMC"), sections 15.08.120 and 15.08.140, repairs or modifications to buildings or structures within the City are to be performed only with an applicable permit, and such work is subject to inspection. It is unlawful for any person to maintain any building, structure, or real property, or cause or allow the same to be done in violation of the Building Code. Section 15.08.110, OMC. The Building Official and code enforcement inspectors are authorized to enforce all provisions of the Building Code and to order abatement of violations. Section 15.08.080, OMC.

B. The City was not Prohibited from Issuing the Order to Abate by Reason of Appellant's Filing a Petition for a Writ of Mandate or Filing a Notice of Appeal to the Judgment Denying the Writ.

Appellant argues that by reason of its filing a petition for a writ of mandate following the decision of the City's Planning Commission to deny its application for a conditional use permit, variance and design review, and/or by its filing an appeal from the judgment of the Superior Court that denied the petition, all enforcement matters concerning the Subject Property were automatically stayed until the Appellate Court issued its remittitur in March 2023; therefore the City was without authority to issue the Order to Abate in October 2021 while these legal proceedings were pending. Appellant cites no authority for that proposition.

Appellant filed its petition for a writ of mandate under Code of Civil Procedure ("CCP") Section 1094.5. Under that section, a court may stay operation of the administrative decision pending the judgment of the court or until the filing of a notice of appeal but no such stay shall be imposed if the court is satisfied that it is against the public interest. CCP, Section 1094.5 (g). Such stay is not automatic; an application for such a stay must be filed (*Ibid.*) There was no evidence that Appellant filed such an application or that the Superior Court issued such a stay. Moreover, if an appeal is taken from the denial of the writ, the decision of the agency shall not be stayed except upon an order of the court to which the appeal has been taken. (*Id.*) Again, there was no evidence that Appellant sought, let alone obtained, such an order.

Accordingly, the City was not prohibited from issuing the Order to Abate by reason of Appellant's either filing its petition for a writ of mandate or its filing a notice of appeal from the trial court's denial of the writ.

C. The City was not Estopped from Enforcing the Order to Abate.

The Order to Abate provided that within 30 days, Appellant was to execute a Compliance Plan for the rehabilitation of the Subject Property and further provided that any corrections could not begin until the Compliance Plan was in effect. Appellant contends that because the City did not provide a Compliance Plan to Appellant, the City is estopped from enforcing the Order to Abate. Not so.

The City itself does not issue a Compliance Plan. A Compliance Plan is a mutually agreed upon document by which a property owner and the City set forth a list of corrective work to be accomplished and timetable in which that work is to occur. It would be an empty exercise for the City to issue a Compliance Plan without input and concurrence from the property owner. Indeed Appellant and the City had entered into such a Plan in 2014 but only after discussing and agreeing on the terms of the Plan. (City Exhibit B.)

Estoppel against a governmental agency "may be applied 'only in the most extraordinary case where the injustice is great'". *Clary v. City of Crescent City* (2017) 11 Cal. App 5th 274, 285 (citing *Smith v. County of Santa Barbara* (1992) 7 Cal. App. 4th 770, 775). Moreover, to establish estoppel, the party asserting estoppel must show detrimental reliance on the other party's conduct. *Clary*, at 285. In addition, estoppel is not available where it would nullify an important policy intended to benefit the public. *Ibid.*, at 286.

Appellant has not shown how he relied upon any of the City's non-action to his detriment. There was no evidence of anything that prevented Appellant from meeting and discussing with the City a new Compliance Plan following the City's issuance of the Order to Abate nor was there any evidence that the City refused to engage in discussions with Appellant about the terms and conditions of such a Plan. Moreover, the Order to Abate serves an important public policy relating to the health, safety and welfare not only of the occupants of the building but to the public generally. To find the Order to Abate should not be enforced because the City did not issue Appellant a Compliance Plan would soundly defeat that public policy.

Accordingly, the City at no time prohibited Appellant from entering into a new Compliance Plan in order to accomplish the corrective work at the Subject Property and Appellant failed to demonstrate that principles of estoppel apply so as to prevent the enforcement of the Order to Abate.

D. It was not Error for the City's Inspection Manager to Have Rendered Void the October 20, 2014 Compliance Plan.

In October 2014, Appellant and City entered into a Compliance Plan (City Exhibit B.) The purpose of the Plan was to mitigate the impact of the operation of the business on nearby properties and to address the unpermitted property improvements. (*Ibid.*) As to the latter, concurrent with the execution of the Compliance Plan, Appellant agreed to submit (a) a planning permit application (design review, variance and conditional use permit) to legalize building and site improvements that had been installed on the property without permits and (b) an application for building or specialty permits to legalize any

improvements or repairs for which planning approvals were not required. (*Id.*) The Compliance Plan further provided that no later than 60 days following planning permit approval, Appellant was to submit a complete application for construction permits to address the unpermitted improvements. (*Id.*)

Appellant did submit the planning permit application as set forth in the Compliance Plan but prior to January 2020 there was no evidence that Appellant submitted any applications for the permits to legalize the improvements or repairs at the Subject Property for which planning approvals were not required. The Planning Commission denied Appellant's planning permit application in October 2019. Without approval of such application, Appellant could not receive construction permits to address the unpermitted improvements for which planning approval was necessary.

The City's Inspection Manager notified Appellant in January 2020 that the October 2014 Compliance Plan was voided. Appellant submits that action was wrongful because the Inspection Manager had no authority to do so "based on Planning Commission decision which didn't even address the Plan and instead addressed a Planning Application for design review, conditional use permit, and variance."

Appellant misreads the Compliance Plan. As set forth in the Compliance Plan, there is a clear and obvious nexus between planning approvals and legalizing work on the Subject Property for which planning approval is required. For example, without planning approval, the steel canopy structure and the new loading dock that had been installed without building permits would need to be removed. Accordingly, without planning approval, any corrective work on the Subject Property for which planning approval was required could not proceed. In addition, as of January 2020—six years after Appellant had been informed that it must obtain building permits for unpermitted work—there was no evidence Appellant had applied for any permits concerning the unpermitted improvements on the Subject Property for which planning approval was not required.

Six years after the parties had entered into the Compliance Plan, its terms and conditions had not been satisfied either because Appellant had not pursued obtaining permits for work that did not need planning approval or because the Planning Commission had denied the planning approvals. In light of that, it was reasonable for the Inspection Manager to conclude that the continuing violations on the Subject Property would not be corrected as contemplated in the Compliance Plan and that voiding the Plan was necessary. Under the broad authority vested in the Inspection Manager (Section 15.08.080, OMC,) it was not an abuse of discretion for the Inspection Manager to have voided the 2014 Compliance Plan in 2020.

E. The Order to Abate is Enforceable.

In addition to Appellant's contentions above why it was error or an abuse of discretion for the City to have issued the Order to Abate, Appellant makes additional arguments why the Order to Abate is not enforceable and why the appeal should be granted. Appellant argues there was no evidence to show that (a) the Subject Property had "hazards" or was "deteriorated" to the extent that the health, safety and welfare of the occupants and the public were jeopardized by these hazards, (b) that the Subject Property had to be "rehabilitated", (c) that the Subject Property was "substandard" (d) that "faulty materials of construction" had been used and/or (e) there were maintenance violations.

Appellant's arguments fail because the Oakland Building Construction Code and the Oakland Building Maintenance Code provide otherwise. The Oakland Building Construction Code provides that all materials, fixtures, equipment, and installations thereof in buildings and structures shall be so

installed and maintained as to reduce and minimize all safety and health hazards. Section 15.04.1.115 A, OMC. Failure to comply with the provisions of the Code, including failure to obtain or maintain valid permits or failure to repair or rehabilitate unsafe materials or equipment are declared to be prima facie evidence of an existing and continuing hazard to life or limb, property or public welfare. Section 15.04.1.115 C, OMC. In addition, by adopting the Oakland Building Maintenance Code, whose purpose is to establish minimum safeguards to public health, safety and welfare by regulating the maintenance of non-residential structures in the City, the City has determined that violations of the Maintenance Code, per se, renders a structure substandard, hazardous, and need of rehabilitation. Sections 15.08.010, 15.08.020, and 15.08.340, OMC.

Accordingly, because the inspector determined that work requiring a building permit had been done on the Subject Property but for which no building permit had been obtained, that work constituted prima facie evidence of a hazard to the public health, safety or welfare, that faulty materials of construction had been used, and that maintenance violations existed, thereby rendering the Subject Property substandard and in need of rehabilitation. *City of Bakersfield v. Miller* 64 Cal. 2d 93 (1966) is instructive ("*Bakersfield*").

In *Bakersfield*, the City found that a hotel constituted a fire hazard within the meaning of a uniform code it had adopted and that under the terms of that code the hotel was a public nuisance. *Bakersfield*, at 98. The owner did not deny the ordinance had been violated but contended that the city exceeded its legislative powers in declaring as a matter of law that the violations were a public nuisance and that the trial court was required to make an independent finding as to whether the hotel was a public nuisance under state law. *Bakersfield*, at 98-99.

The Appellate Court rejected that argument, holding that where a legislative body has determined a defined condition as a nuisance, it is a usurpation of legislative power for a court to arbitrarily deny enforcement just because the court in its independent judgment concludes the danger caused by the violation was not significant. (*Bakersfield*, at 99). Rather, the Appellate Court stated the court's role is limited to determining whether a violation exists and whether the code in question is constitutional. (*Ibid.*)

Appellant argues this hearing officer must do the same as was requested by the trial court in *Bakersfield*, i.e., to exercise its independent judgment and determine that the Subject Property had no hazards or deteriorated conditions that jeopardized the health, safety or welfare of the occupants or the public, that the Subject Property was not in need of rehabilitation or substandard, or that no faulty materials of construction had been used.

But as *Bakersfield* teaches, the hearing officer may not engage in that exercise. As to these contentions, the hearing officer is bound by the legislative determination that the failure of a property owner to comply with the provisions of its Building Construction Code is prima facie evidence of an existing and continuing hazard to the public health, safety and welfare and that violations of the Building Maintenance Code renders a building substandard and need of rehabilitation. The hearing officer's role is limited to determining whether violations exist and whether the Codes in question are constitutional. As discussed in the next section, there is no question that violations of the Code existed on the Subject Property at the time the Order to Abate was issued in October 2021 and Appellant has not argued that the Codes are unconstitutional.

Accordingly, Appellant's arguments why the Order to Abate is not enforceable are rejected.

F. The Preponderance of the Evidence Supports the City's Issuance of the Order to Abate.

Beginning in 2013, the City inspected the Subject Property numerous times and documented that work had occurred on the Subject Property without the proper building permits or planning approvals, in violation of the Municipal Code. The City put Appellant on notice of these violations numerous times. (City Exhibits A, F, H, I.) The evidence was uncontradicted that at the time the City issued its October 4, 2021 Order to Abate, City inspectors had personally visited the Subject Property several times over several years, had documented the conditions, and entered records relative to their inspections, all of which demonstrated that unpermitted work existed at the Subject Property in violation of the Municipal Code. See, for example, City Exhibit J. Those violations were detailed in the Order to Abate (subsections D, E, F, I and N of Section 15.08.340; 15.08.050; 15.08.120; 15.08.140; 15.08.220; subsections D, E, G, and N, Section 15.08.230; Section 15.08.240; subsection A or 15.08.250; and subsections A, B, and C of Section 15.08.260), along with the necessary corrective action for these violations.

Although there was testimony at the hearing that some of the violations have now been abated and the work related to those violations permitted, Appellant had neither abated any of the violations nor obtained permits for work related to those violations by October 4, 2021. Accordingly, the City has established by the preponderance of evidence that the violations cited in the October 4, 2021 Order to Abate existed at the time the City issued the Order to Abate and it was neither error nor an abuse of discretion for the City to have issued the Order to Abate.

IV

CONCLUSION

Based on the foregoing, the City's issuance of the October 4, 2021 Order to Abate is CONFIRMED and Appellant's APPEAL is DENIED. City shall recover any unpaid amounts assessed to date, including its administrative expenses in investigating this matter and costs associated with the instant appeal.

Michael H Roush

Dated: July 6, 2023

Michael H. Roush, Independent Hearing Officer