



# AGENDA REPORT

---

**TO:** President Pro Tempore Reid and  
Members of the Community and  
Economic Development  
Committee

**FROM:** Council President Lynette Gibson  
McElhaney

**SUBJECT:** Establish PRI Program to Improve  
Unhealthy Housing Without  
Displacement

**DATE:** June 30, 2016

---

## **RECOMMENDATION**

Adopt a resolution establishing a Proactive Rental Inspection (PRI) program to address housing habitability violations without displacing vulnerable tenants and directing the City Administrator to return to Council with a plan and appropriate legislation to begin implementation of a PRI program.

## **EXECUTIVE SUMMARY**

PRI programs in many jurisdictions in California have improved the quality of the housing stock and contributed to improved health outcomes. Forty-two percent (42%) of Oakland's housing was built prior to World War II and is in need of significant investment or it will become uninhabitable. Oakland residents, particularly children, suffer disproportionately from negative health impacts correlated with substandard housing conditions. These substandard living conditions disproportionately affect poor, elderly, disabled, non-English speaking, undocumented and other vulnerable tenants who experience barriers to navigating the code enforcement system or who may fear landlord retaliation or deportation. Urgent action is needed to address this looming public health crisis.

To ensure a healthy housing supply for Oakland families, this resolution directs the City Administrator to develop legislation needed to establish a PRI program by January 1, 2017 and to begin the first implementation phase by July 1, 2017. This resolution further directs the City Administrator to also develop an implementation timeline, a plan for a loan fund for low-income property owners, and measures to guard against the possibility of displacement of tenants.

## **BACKGROUND / LEGISLATIVE HISTORY**

Despite its deep commitment to diversity, the City of Oakland's communities continue to show signs of persistent income and health inequality. Mortality rates in the flatlands are 140% higher than the County wide average and the corresponding life expectancy is ten years less than the

Item: \_\_\_\_\_  
CED Committee  
July 12, 2016



County average. Of the 1,751 lead poisoned children in Alameda County between 2000 and 2010, 62% were from Oakland and were predominantly from West Oakland, San Antonio, Fruitvale and some East Oakland areas. In California overall, African American and Latino children in urban areas are two to six times more likely to die from asthma than whites.

Research has found a strong link between substandard, unhealthy housing and poor health outcomes. Proactive rental inspection programs promise to improve the condition of rental housing through better enforcement of laws around deferred maintenance and code violations. Currently, tenants are required to complain to the City to force housing providers to address code violations. This often means that low-income, disabled and undocumented residents do not report violations for fear of retaliation.

PRI programs remove the need for complaints through systematic code inspections of rental housing units. There are a variety of options that Oakland may explore – self-certification programs, randomized inspections, inspections that occur only once every several years – that can lessen the burden on the majority of housing providers who provide safe and healthy homes.

The City Council in previous policy documents directed the administration to develop a PRI program to improve the housing habitability challenges in low income neighborhoods.

1. December 9, 2014 the Oakland City Council adopted the 2015-2023 Housing Element (85315 C.M.S.) that included Action 4.3.7 which commits the City Administration to develop a proactive rental inspection program; and
2. September 30, 2015 the City Council adopted the Housing Equity Road Map as a complement to the Housing Element which included a recommendation to “Pilot a proactive rental inspection policy coupled with tenant protections.”

This resolution commits the administration to carrying out the timeline proposed by the Mayor’s Housing Cabinet in their ‘Oakland At Home’ report released on March 2, 2016. The plan called for implementation of a PRI program to begin by the first quarter of 2017 and for continued implementation through 2018 (Attachment D).

## **POLICY PROPOSAL**

This resolution directs the City Administrator to finalize the long promised PRI program design and return to Council with the necessary legislation by January 1, 2017 to begin the first stage of implementation by July 1, 2017.

In addition, this resolution directs the City Administrator to create a proposal for consideration by the Council that achieves the following policy goals:

- 1) A timeline that responsibly builds internal capacity: a geographically phased approach that will build internal capacity over a responsible timeline while iteratively improving the design and operations of the PRI program;
- 2) Initial implementation in our most impacted neighborhoods: a first implementation phase that begins in East Oakland and in West Oakland beginning no later than July 1, 2016;

Item: \_\_\_\_\_  
CED Committee  
July 12, 2016



- 3) Strong anti-displacement measures: a PRI program that anticipates, avoids and, at worst, mitigates the unintended consequence of displacing tenants through the condemnation of buildings or a requirement for large scale construction to cure code violations;
- 4) A cost recovering but not burdensome fee: a fee in the master fee schedule that will fully fund the administration of a proactive rental inspection policy that is not overly burdensome to building owners or entirely passed through to tenants;
- 5) Assistance for low-income housing providers: a viable loan fund for landlords with habitability violations and financial hardship to be able to correct code violations.

### **FISCAL IMPACT**

There is no fiscal impact to this legislation.

### **COORDINATION**

The legislation was created by the Office of Council President McElhaney in coordination with the City Attorney's Office. The resolution has also been reviewed by the City Administrator's office.

### **SUSTAINABLE OPPORTUNITIES**

**Economic:** Residents, especially children, miss many days of work and school due to illnesses related to unhealthy housing. Improving the quality of housing will improve attendance and ability to engage in both work and education.

**Environmental:** A PRI program can improve the condition of housing and begin to remove environmental hazards found in many older, dilapidated buildings.

**Social Equity:** Currently, residents of the flatlands in Oakland suffer due to poor housing conditions and often do not feel able to challenge housing providers for fear of retaliation. A PRI program is an important step in beginning to address these inequities.

### **ACTION REQUESTED OF THE CITY COUNCIL**

Adopt a resolution establishing a Proactive Rental Inspection (PRI) program to address housing habitability violations without displacing vulnerable tenants and directing the city administrator to return to council with a plan and appropriate legislation to begin implementing a PRI program

For questions regarding this report, please contact Alex Marqusee, Legislative Analyst, at 510-238-7031.

Item: \_\_\_\_\_  
CED Committee  
July 12, 2016



Respectfully submitted,



---

Council President Lynette Gibson McElhaney

Prepared by:  
Alex Marqusee, Legislative Analyst  
Office of Council President McElhaney

Attachments:

- A) Urban Strategies Council: Building an Indicator Base for Healthy Housing Issues in Oakland
- B) ChangeLab Solutions: A Guide to Proactive Rental Inspecting Programs
- C) City of Oakland Office of Planning, Building & Neighborhood Preservation: Proposed Program Design for Proactive Code Enforcement Operations
- D) Mayors At Home Report - Pages 13 and 14

Item: \_\_\_\_\_  
CED Committee  
July 12, 2016

