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CITY OF OAKLAND



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Office of the City Attorney Barbara J. Parker City Attorney (510) 238-3601 FAX: (510) 238-6500 TTY/TDD: (510) 238-3254

April 9, 2019

FINANCE AND MANAGEMENT COMMITTEE

Oakland, California

Re: Resolution Authorizing The City Administrator Or Her Designee To Accept And Appropriate Grant Funds From The San Francisco Foundation In The Total Amount Of Ten Thousand Dollars (\$10,000) For The Oakland City Attorney To Develop Infrastructure And Outreach For City Enforcement Of The Tenant Protection Ordinance

Dear Chairperson Gibson McElhaney and Members of the Committee:

RECOMMENDATION

The City Attorney recommends that the Council pass the subject resolution which will authorize the City Administrator to accept and appropriate a \$10,000 grant from the San Francisco Foundation for the City Attorney to develop key data for our housing enforcement, increase visibility of our Tenant Protection Ordinance work, and conduct outreach with the Office's nonprofits partners.

OUTCOME

Approval of the proposed resolution will allow the City Attorney to invest in key data infrastructure and community outreach, strengthening City enforcement of the Tenant Protection Ordinance which prevents illegal harassment and displacement.

BACKGROUND/LEGISLATIVE HISTORY

Oakland's rising rents have exacerbated tensions between property owners and tenants residing in units that are rent-controlled or covered by Oakland's Just Cause for Eviction Ordinance. By emptying their units, property owners often can increase the return on their investment by selling the property or re-renting the units at a higher rate. Once tenants are evicted, it is very challenging for them to re-enter the Oakland rental

Item 7 Finance and Management Committee April 9, 2019

housing market because of skyrocketing rents. The Tenant Protection Ordinance is one tool that can help us preserve our diverse Oakland community, in areas such as race, gender, age, sexual orientation, incomes, and professions.

In response to this perverse incentive for owners to wrongly evict tenants, the Oakland City Council enacted the Tenant Protection Ordinance (Oakland Municipal Code ("OMC") section 8.22.600 et seq.) in November 2014 to deter harassing behavior by landlords, encourage landlords to follow the law and uphold their responsibility to provide habitable rental properties, and to provide tenants legal recourse when they are subjected to harassing behavior by landlords.

Recognizing the importance of strong enforcement, the Tenant Protection Ordinance authorizes the City Attorney to file civil actions for injunctive relief and/or damages, when a landlord has exhibited a pattern and practice of violating the ordinance. The City Attorney also may request that an administrative citation or civil penalty be issued by the City¹. Recently, Oakland's Housing Implementation Cabinet established a goal of protecting 17,000 affordable homes and identified "strengthen[ing] enforcement of renters' protections" as one of its seven final recommendations.

The Oakland City Attorney is in a unique position to enforce Oakland tenant protection laws because given our authority to secure early injunctive relief, impose civil penalties, and bring actions on behalf of the People of California and the City of Oakland.

Since the Tenant Protection Ordinance took effect, the City Attorney's office has enforced tenant rights by issuing warnings and demand letters, and initiating civil lawsuits. Our actions have prevented wrongful displacement, improved living conditions, and have held owners accountable for severe harassment and misconduct.

The San Francisco Foundation has committed to supporting this work by making a \$10,000 grant for the City Attorney to develop data infrastructure and provide community outreach.

¹ The City Attorney may enforce the Tenant Protection Ordinance by filing civil actions for injunctive relief or damages, or both, when the party against whom enforcement is sought has a pattern and practice of violating the ordinance. The City Attorney also may request that an administrative citation or civil penalty be issued by the City. The City Attorney has the sole discretion to determine the cases appropriate for enforcement by the City Attorney's Office. OMC 8.22.670(A)(2).)

ANALYSIS AND POLICY ALTERNATIVES

Oakland has one of the highest percentages of renters in the Bay Area at close to 60%. Roughly a quarter of Oakland's households are "housing insecure…facing high housing costs in proportion to income, poor housing conditions, unstable neighborhoods, overcrowding, or homelessness." (*Oakland at Home*, 2016.)

Public/private/nonprofit partnerships allow governments to marshal the expertise, human capital, and financial resources of the private and non-profit sectors. These cross-sector collaborations also can support innovation, flexibility, and increase the positive impacts. This grant is such a partnership. The San Francisco Foundation is committed to a bold equity agenda that advances greater racial and economic inclusion for everyone in the Bay Area. The San Francisco Foundation's Place (Anchoring Communities) Pathway is working to prevent the displacement of low-income people and communities of color so that the Bay Area's neighborhoods are places where all residents can live, work, thrive and create. As a result, the San Francisco Foundation has committed \$10,000 for the City to develop key infrastructure and outreach that will strengthen City Attorney enforcement of the Tenant Protection Ordinance.

City Attorney enforcement will be more targeted and effective with enhanced data infrastructure, allowing the City to maximize limited resources. Community outreach also is critical to ensure tenants are aware of their rights under the Tenant Protection Ordinance and to identify circumstances that require City Attorney enforcement.

FISCAL IMPACT

This grant will not cost the City anything; rather it will make our enforcement of the Tenant Protection Ordinance more efficient and effective. The San Francisco Foundation grant will fund investments in City Attorney data infrastructure and community outreach for Tenant Protection Ordinance enforcement.

PUBLIC OUTREACH/INTEREST

The 2018 City of Oakland Budget Priorities Survey underscores community interest in and support for greater City enforcement of the Tenant Protection Ordinance. Seventy-five percent ("75%") of respondents consider homelessness or housing one of the top two issues they would like the City to address in the City's next budget. Sixty-three ("63%") of respondents are willing to pay more for rent control enforcement and tenant protection. And seventy-one percent ("71%") of respondents believe addressing housing displacement among people of color is extremely important or very important.

COORDINATION

The City Attorney has discussed the grant with the City Administrator.

SUSTAINABLE OPPORTUNITIES

Economic: The grant award will enable the City Attorney to be even more targeted and effective in enforcement of the Tenant Protection Ordinance. City Attorney enforcement is also often in coordination with the tenants' own private actions, strengthening their claims and potentially leading to higher financial compensation. City Attorney intervention also can prevent tenant displacement, which may lead to homelessness, loss of employment, displace families from their neighborhoods and disrupt their children's education and otherwise negatively impact an individual's opportunity to improve their economic situation.

Environmental: Tenant displacement may force individuals to leave rentcontrolled housing. Many Oakland residents cannot afford market rate housing in their communities, and therefore have to move to more affordable areas if they are displaced. This may cause them to live further away from where they work, potentially leading to longer commutes and more cars on the road.

Social Equity: The grant award will assist the City Attorney in enforcing the basic rights of vulnerable tenants, especially low-income communities of color such as African Americans, Latinos and Asians. The July 2018 Oakland's Equity Indicators Project revealed deep inequities in housing, with an overall score of 36.8 on a spectrum of 0 (total inequity) to 100 (total equity). People of color in Oakland disproportionately rent, are rent burdened, live in overcrowded conditions, are homeless, and receive eviction notices. City Attorney enforcement holds owners accountable for wrongful evictions, prevents homelessness, and forces owners to address appalling living conditions.

ACTION REQUESTED OF THE CITY COUNCIL

The City Attorney requests that the City Council pass a resolution authorizing the City Administrator to accept and appropriate a \$10,000 grant from the San Francisco Foundation for the City Attorney to develop key data for our housing enforcement, increase visibility of our Tenant Protection Ordinance work, and conduct outreach with the Office's nonprofits partners.

Please contact Chief Assistant City Attorney Maria Bee at (510) 238-3814 if you have any questions.

Very truly yours,

BARBARA J. PARKER City Attorney

cc: Sabrina Landreth, City Administrator

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Item 7 Finance and Management Committee April 9, 2019 FILED OFFICE OF THE CITY CLERK OAKLAND

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Approved as to Form and Legality

Citv⁴Attornev's Office

OAKLAND CITY COUNCIL

RESOLUTION NO.

C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR DESIGNEE TO ACCEPT AND APPROPRIATE GRANT FUNDS FROM THE SAN FRANCISCO FOUNDATION IN THE TOTAL AMOUNT OF TEN THOUSAND DOLLARS (\$10,000.00) FOR FISCAL YEAR 2019, FOR THE OAKLAND CITY ATTORNEY TO DEVELOP INFRASTRUCTURE AND OUTREACH FOR CITY ENFORCEMENT OF THE TENANT PROTECTION ORDINANCE

WHEREAS, in November 2014, the Oakland City Council enacted the Tenant Protection Ordinance (Oakland Municipal Code (OMC) section 8.22.600 *et seq.*) to stop harassing behavior by landlords, to encourage landlords to follow the law and uphold their responsibility to provide habitable rental properties, to hold accountable landlords who violate the ordinance, and to provide tenants legal recourse when they are subjected to harassing behavior by landlords; and

WHEREAS, the majority of Oakland residents are renters; and

WHEREAS, the imbalance between supply and demand of rental housing has created an imbalance of bargaining power between landlords and tenants so that many tenants are unwilling or unable to assert their legal rights, which is detrimental to the health, safety and general welfare of Oakland because the stability, security and quality of housing opportunities are reduced; and

WHEREAS, seventy-five percent (75%) of respondents in the 2018 City of Oakland Budget Priorities Survey consider homelessness or housing one of the top two issues they would like to see addressed in the City's next budget; and

WHEREAS, sixty-three percent (63%) of respondents in the 2018 City of Oakland Budget Priorities Survey are willing to pay more for rent control enforcement and tenant protection; and

WHEREAS, seventy-one (71%) of respondents in the 2018 City of Oakland Budget Priorities Survey believe addressing housing displacement among people of color to be extremely important or very important; and WHEREAS, the July 2018 Oakland's Equity Indicators Project revealed deep inequities in housing, with an overall score of 36.8 on a spectrum of 0 (total inequity) to 100 (total equity); and

WHEREAS, African American, Latino, Asian and other people of color in Oakland disproportionately rent, are rent burdened, live in overcrowded conditions, are homeless, and receive eviction notices; and

WHEREAS, the Oakland City Council recognizes that displacement of tenants is a major and critical concern and the Council is interested in establishing and implementing laws and policies that will help to maintain the ability of people in all income categories to live in our fabulous city; and

WHEREAS, the City Council recognized the need for strong City Attorney enforcement of the Tenant Protection Ordinance when it was first enacted (OMC section 8.22.670(A)(2)), and that need remains as great as ever; and

WHEREAS, the City Attorney is committed to enforcing tenant rights under the Tenant Protection Ordinance; and

WHEREAS, City Attorney enforcement will be more efficient and effective with investments in data infrastructure that will allow the City to maximize limited resources; and

WHEREAS, outreach is critical to ensuring that tenants are aware of their rights and also identifying circumstances that require City Attorney enforcement; and

WHEREAS, the San Francisco Foundation is committed to a bold equity agenda that advances greater racial and economic inclusion for everyone in the Bay Area; and

WHEREAS, the San Francisco Foundation's Place (Anchoring Communities) Pathway is working to prevent the displacement of low-income people and communities of color so that the Bay Area's neighborhoods are places where all residents can live, work, thrive and be creative; and

WHEREAS, the San Francisco Foundation has committed \$10,000.00 to the City Attorney to develop infrastructure and outreach that will support the City Attorney's enforcement of the Tenant Protection Ordinance; and

WHEREAS, the grant funds will be deposited in a project designated for the City Attorney's use; now, therefore, be it

RESOLVED: That the City Administrator or her designee hereby is authorized to accept and appropriate grant funds from the San Francisco Foundation in the amount of \$10,000.00 to be used by the Oakland City Attorney to develop infrastructure and outreach for city enforcement of the Tenant Protection Ordinance; and be it

FURTHER RESOLVED: That the \$10,000.00 in grant funds shall be deposited in a project designated for the City Attorney's use; and be it

FURTHER RESOLVED: that the Oakland City Attorney and the City Council acknowledge and express the City's deep gratitude to the San Francisco Foundation for the Foundation's vision and support for tenants and further, specifically thank Fred Blackwell, the Foundation's Chief Executive Officer and Landon R. Williams, the Foundation's Senior Director, Anchoring Communities, for their support and vision; and be it

FURTHER RESOLVED: That the City Administrator hereby is authorized to execute a grant agreement with the San Francisco Foundation to accept and appropriate funds in the amount of \$10,000.00 to the Oakland City Attorney to develop infrastructure and outreach for city enforcement of the Tenant Protection Ordinance.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND PRESIDENT KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS City Clerk and Clerk of the Council of the City of Oakland, California

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