



**DATE:** March 28, 2023

**TO:** Mayor and City Council

**FROM:** Assistant City Manager

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with Centro Legal de la Raza in an Amount Not-to-Exceed \$500,000 to Administer a Multi-Agency Legal Assistance and Anti-Displacement Program

### **RECOMMENDATION**

That the Council adopts a resolution (Attachment II) to authorize the City Manager to negotiate and execute an agreement with Centro Legal de la Raza in an amount not-to-exceed \$500,000 to administer a multi-agency legal assistance and anti-displacement program.

### **SUMMARY**

The Alameda County Board of Supervisors (BOS) recently rejected an amendment to an agreement with Centro Legal de la Raza, Inc., (Centro Legal) to administer an umbrella contract with four partner agencies for legal services through a program called AC Housing Secure (ACHS). Rejection of additional funding for this program was unexpected since the ACHS has been funded by the County since 2018. As the Alameda County temporary eviction moratorium sunsets on April 29, 2023, it is anticipated that it will be followed by a significant increase in evictions County-wide. The Alameda County Community Development Agency (CDA) brought the funding increase to the BOS as a mechanism for providing legal services to tenants at risk of unlawful or unnecessary evictions following the end of the moratorium. Since the BOS neither adopted nor failed the item, it may return to the BOS for another vote; however, at the time of this report writing, it is unclear if it will be heard again and, if so, if it will be adopted.

Based on analysis of data from the Census Bureau, Superior Court of Alameda County, and ACHS providers, staff estimate that Hayward tenants are at disproportionate risk for eviction following the end of the local moratorium. Approximately one-third of Hayward residents previously served through ACHS were served by partner agencies that will no longer be able to serve the Hayward community without additional funding. With no increase in funding to ACHS, Hayward renters are left vulnerable to displacement, homelessness, and a number of other negative financial and social impacts associated with eviction. This risk is even higher for Black and Hispanic renters, who are more likely to be cost-burdened (i.e., spending 30%

or more of their income on rent) and who experience evictions at greater rates than other racial groups.

Staff recommends that the Council adopt a resolution authorizing the City Manager to negotiate and execute an agreement with Centro Legal de la Raza in an amount not-to-exceed \$500,000 to administer the multi-agency legal assistance and anti-displacement program known as AC Housing Secure. Funding for the agreement would come from an available \$3 million in uncommitted American Rescue Plan Act (ARPA) funds intended for Housing programs. This use of funds aligns with the Homelessness-Housing Task Force's (HHTF) recent request of staff to evaluate uses of these ARPA funds for renters at risk of eviction with the looming end of the temporary eviction moratorium. The \$500,000 not-to-exceed amount is based on best estimates for service need. In collaboration with ACHS providers and the Superior Court of Alameda County, staff will monitor contract expenses and eviction rates and may return to Council with a recommendation for additional funding should the need for service continue.

## **BACKGROUND**

Since May 2018, the BOS has funded the Alameda County Housing Secure Anti-Displacement Program (ACHS). At BOS direction, the Alameda County Community Development Agency (CDA) contracts with Centro Legal de la Raza, Inc., (Centro Legal) to administer an umbrella contract for legal services with their partner providers Housing and Economic Rights Advocates, Eviction Defense Center, East Bay Community Law Center, and Bay Area Legal Aid. As a collaborative, the agencies provide legal consultations and legal representation in eviction court, if necessary, to tenants throughout the County. The original agreement between CDA and Centro Legal was for a two-year period with three possible one-year extensions. The BOS has amended it three times to extend it through June 30, 2023. Through ACHS, Hayward tenants have access to free legal services to understand their rights regarding issues such as evictions, rent increases, security deposits, and habitability and safety, as well as representation in eviction defense as needed.

Effective March 24, 2020, the BOS enacted a temporary moratorium on evictions countywide in response to the COVID-19 pandemic. They set the end of the temporary moratorium to be 60 days after the expiration of the local public health emergency.<sup>1</sup> The eviction moratorium prevented all evictions except for those necessary to comply with government order, when there is an imminent health or safety concern, or when the landlord is taking the unit off the rental market. On February 28, 2023, the Alameda County Health Officer confirmed the end of the local public health emergency for COVID-19 in Alameda County, in alignment with the end of the State of California's COVID-19 state of emergency.<sup>2</sup> Therefore, the Alameda County temporary eviction moratorium is set to expire on April 29, 2023.

---

<sup>1</sup> March 17, 2020, Alameda County Board of Supervisors Agenda and Materials: [https://alamedacounty.granicus.com/player/clip/6125?view\\_id=2&redirect=true&h=9f975936f983a9b8a3624dcdc63eedef](https://alamedacounty.granicus.com/player/clip/6125?view_id=2&redirect=true&h=9f975936f983a9b8a3624dcdc63eedef)

<sup>2</sup> February 28, 2023, Statement from the Alameda County Health Care Services Agency: <https://covid-19.acgov.org/covid19-assets/docs/press/press-release-2023.02.28.pdf>

On February 28, 2023, CDA brought Item No. 27 to the BOS to approve the fourth amendment to the ACHS contract with Centro Legal, increasing the contract by \$999,591 to cover anticipated expenses due to the impending end to the County eviction moratorium. Four BOS members were in attendance. Two abstained and two voted in favor of the item; therefore, the BOS could not act, the contract amendment was neither approved nor denied, and the County has not provided additional funding for eviction defense services.<sup>3</sup>

On March 2, 2023, the City of Hayward Homelessness-Housing Task Force (HHTF) held a Work Session on a proposal to reallocate \$3 million of American Rescue Plan Act (ARPA) funding from the wealth building and tax-defaulted property acquisition programs to down payment assistance for a new social impact bonds program.<sup>4</sup> HHTF members expressed interest in the program, but shared their concerns that there may be more immediate needs that the funds could address, specifically for supporting vulnerable renters who may be impacted by the upcoming termination of the eviction moratorium. HHTF members directed staff to return to the Council with an analysis of alternative funding uses that would prioritize providing more immediate support for renters, including a tenant right to counsel program and additional rental assistance as two potential uses. Staff intend to bring that item to Council for discussion in April to discuss proposed uses for the remaining funds, but due to the present need for providing anti-displacement legal resources as the moratorium is lifted, this discussion only considers that immediate need.

## DISCUSSION

Evictions have significant negative impacts on tenants, including limiting their options for future housing and increasing the likelihood of future homelessness. They can lead to substantial emotional, social, and financial instability, as families often have to leave their communities, schools, and jobs to find new housing. The risk of eviction is especially high for Black renters, with one recent study showing that average eviction rates are significantly higher for Black renters than for White renters. The eviction process is complex and moves very quickly. On average, 82% of landlords will have legal representation during an eviction proceeding, compared to only about 3% of tenants; therefore, legal services are one effective solution for preventing unnecessary evictions for tenants most at risk.<sup>5,6,7</sup>

---

<sup>3</sup> February 28, 2023, Alameda County Board of Supervisors Agenda and Materials: [https://alamedacounty.granicus.com/player/clip/8192?view\\_id=2&redirect=true&h=111f23d6bf76a5a555cdf9caa80c2917](https://alamedacounty.granicus.com/player/clip/8192?view_id=2&redirect=true&h=111f23d6bf76a5a555cdf9caa80c2917)

<sup>4</sup> March 2, 2023, Homelessness-Housing Task Force Agenda and Materials: <https://hayward.legistar.com/LegislationDetail.aspx?ID=6043172&GUID=829241C4-A440-48BA-BED7-CDDAE2CA39DC&Options=&Search=>

<sup>5</sup> Peiffer, E. (2018). Why we need to stop evictions before they happen. *Housing Matters: An Urban Institute Initiative*. Retrieved March 15, 2023, from <https://housingmatters.urban.org/feature/why-we-need-stop-evictions-they-happen>

<sup>6</sup> Hepburn, P., Louis, R., & Desmond, M. (2020). Racial and gender disparities among evicted Americans. *Eviction Lab*. Retrieved March 15, 2023, from <https://evictionlab.org/demographics-of-eviction/>

<sup>7</sup> National League of Cities. *Using right to counsel as an eviction diversion strategy*. Retrieved March 14, 2023, from <https://www.nlc.org/article/2021/10/26/using-right-to-counsel-as-an-eviction-diversion-strategy/>

The upcoming end to the County's temporary eviction moratorium on April 29, 2023, is likely to result in a significant spike in evictions for tenants in Hayward. Data from other jurisdictions with expired eviction moratoria suggest that we can expect a substantial increase in evictions once the moratorium is lifted, with increases in some jurisdictions reaching over 100% more than pre-pandemic averages.<sup>8</sup> More locally, analysis of unlawful detainer data obtained from the Superior Court of Alameda County indicates that before the COVID-19 pandemic Hayward residents were being evicted at a rate higher than many other Alameda County cities, including Berkeley and Oakland. Additionally, over half (52%) of Hayward's renters are cost-burdened, meaning they spend at least 30% of their income on rent. A greater share of Black and Hispanic households experience cost burden compared to other racial and ethnic groups of renters in Hayward. Given the disproportionate eviction rates for Black households, Hayward's cost-burdened Black renters are exceptionally vulnerable to future eviction. For lower-income, cost-burdened renters, the end of eviction protections without access to legal services to prevent unlawful eviction creates an increased risk of displacement, homelessness, and future challenges securing stable housing in Hayward.

Hayward City Council has previously funded legal services agencies to support Hayward tenants and homeowners. For example, the Council approved an American Rescue Plan-funded agreement with Housing and Economic Rights Advocates to administer a foreclosure prevention program, which includes foreclosure prevention counseling and financial assistance, as needed.<sup>9</sup> The Council also has approved annual General Fund or Community Development Block Grant (CDBG) awards with Centro Legal for legal services to Hayward tenants for several years. This award has varied in amount depending on the funding source and recommendations from the Community Services Commission (CSC) and is insufficient to cover the anticipated increase in current need.

The County BOS's failure to provide funding for eviction defense in advance of the termination of the eviction moratorium was unexpected. For the past several months, City staff have communicated with County CDA staff to fully understand the County's plan for addressing a potential increase in evictions following the end of the County's moratorium. CDA's plan has been to increase funding to ACHS to ensure tenants have access to legal services and eviction defense as needed. Without the BOS adopting the amendment to the ACHS program, there is no mechanism to provide legal services at the County level.

In the time that ACHS has been active, Centro Legal has served 270 Hayward tenant households through direct contracts with the City and through the ACHS collaborative. Another 208 Hayward tenants were served through the ACHS collaborative by providers other than Centro Legal. Of the Hayward tenants served through ACHS, approximately one-third were served by providers other than Centro Legal. Without increased funding to the ACHS program, those providers will no longer have the resources to serve Hayward tenants and a substantial portion

---

<sup>8</sup> The Eviction Lab at Princeton University. Retrieved March 14, 2023, from <https://evictionlab.org/>

<sup>9</sup> October 19, 2021, City Council Agenda and Materials:

<https://hayward.legistar.com/LegislationDetail.aspx?ID=5186194&GUID=8FFA59BA-A4D7-4F64-9E15-258C15948AF4&Options=&Search=>

of tenants who would seek legal services and eviction defense through ACHS would not have access.

At the time of this report writing, staff anticipate that CDA will bring the ACHS item back to the BOS; however, it remains unclear if the BOS will approve the amendment to add funding to the program. Staff recommends that Council authorize the City Manager to execute an agreement with Centro Legal as the lead agency to implement the ACHS umbrella contract with the other four providers in the collaborative to serve Hayward tenants. Staff recommend a not-to-exceed amount of \$500,000 based on best estimates for service need. Given the HHTF's interest in using all or a portion of unspent Housing ARPA funds for protecting renters as the eviction moratorium ends, staff recommends that the Council use a portion of the unallocated ARPA funds for this agreement. In collaboration with ACHS providers and the Superior Court of Alameda County, staff will monitor contract expenses and eviction rates and may return to Council with a recommendation for additional funding should the need continue. If the BOS ultimately approves an extension and sufficiently funds the ACHS contract to serve the Hayward community, staff may evaluate repurposing our ARPA dollars for other needed recovery efforts.

### **FISCAL IMPACT**

This item has no impact on the City's General Fund.

This contract will be funded by the reallocation of a portion of unspent ARPA funds designated for Housing programs. The ARPA funds will be used for legal services for Hayward tenants to help prevent unnecessary or unlawful evictions. Preventing evictions creates a significant positive fiscal impact for vulnerable Hayward residents by increasing housing stability, decreasing the risk of displacement, and preventing future economic instability.

### **STRATEGIC ROADMAP**

This agenda item supports the Strategic Priority of Preserve, Protect, and Produce Housing. This item is not specifically related to a project identified in the Strategic Roadmap. Staff is bringing forth this item because it relates to the City's priority of preserving housing opportunities by reducing displacement through eviction defense and legal services for tenants.

### **PUBLIC CONTACT**

This is an administrative item and there has been no public comment related to this item.

### **NEXT STEPS**

Following adoption of this resolution, staff will enter into the agreement with Centro Legal, who will then amend and monitor its umbrella contract with the ACHS partner agencies. Centro Legal and its partners will provide service data to the City and staff will also track unlawful detainer filings through the Superior Court of Alameda County. Should additional service need

be required, staff will return to Council with a program update and to request an amendment to the agreement.

*Prepared by:* Amy Cole-Bloom, Management Analyst

*Recommended by:* Christina Morales, Housing Division Manager  
Dustin Claussen, Assistant City Manager

Approved by:

A handwritten signature in black ink, appearing to read 'Kelly McAdoo', with a long horizontal flourish extending to the right.

---

Kelly McAdoo, City Manager