



# CITY OF HAYWARD

Hayward City Hall  
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## Cover Memo

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**DATE:** June 23, 2020

**TO:** Mayor and City Council

**FROM:** Deputy City Manager

### **SUBJECT**

Adopt a Resolution Authorizing the City Manager to Execute an Agreement with Project Sentinel for Fiscal Year 2021 in an Amount Not-to-Exceed \$150,000 to Provide Mediation Services Related to Rent Stabilization and Repayment Agreements at the Same Level as Fiscal Year 2020 and Adopt a Resolution Appropriating \$75,000 to the Rental Housing Program Fund from Additional Fee Revenue.

### **RECOMMENDATION**

That the City Council adopts:

1. A resolution (Attachment II) to authorize the City Manager to execute an agreement with Project Sentinel to provide administrative support, educational services, and mediation services related to rent stabilization and rent repayment agreements for tenants unable to pay rent due to COVID-19 economic impacts in an amount not-to-exceed \$150,000 for Fiscal Year 2021.
2. A resolution (Attachment III) to authorize an amendment to the budget resolution for the City of Hayward operating budget for Fiscal Year 2021, appropriating \$75,000 to the Rental Housing Program Fund from additional rent stabilization fee revenue to cover the cost of administering the Residential Rent Stabilization and Tenant Protection Ordinance and the Mobilehome Space Rent Stabilization Ordinance.

### **SUMMARY**

As part of the Residential Rent Stabilization and Tenant Protection Ordinance (RRSO), the City provides a mandatory mediation program with binding arbitration to resolve rent increase disputes for tenants of covered rental units upon rent increases greater than five percent. Project Sentinel currently provides administrative support, administers the mediation and arbitration program, develops and facilitates educational workshops to advise tenants and landlords of their rights and responsibilities under the City's RRSO, and recently expanded mediation services to help tenants and landlords enter into repayment agreements. Project Sentinel's contract with the City will expire on June 30, 2020.

As the economic impacts of the COVID-19 pandemic continue to negatively affect Hayward renters and landlords, staff recommends that the City Council authorize the City Manager to execute an agreement with Project Sentinel in an amount not to exceed \$150,000 for Fiscal Year 2021. This agreement will

enable the City to continue providing mediation services for both the RRSO mediation and arbitration program, as well as the expanded services to support renters and landlords as they negotiate repayment plans to recover non-payment of rent due to COVID-19, and provide educational workshops to landlords and tenants. The new contract would replace the current contract and maintain funding at the same level approved by Council for the previous fiscal year, which included the expansion of services to mediate repayment agreements to address unpaid rent caused by the COVID-19 pandemic.

The Rental Housing Program Fund is funded by payment of the Residential Rent Stabilization Fee and goes to support the administration of the Residential Rent Stabilization and Tenant Protection Ordinance and the Mobilehome Space Rent Stabilization Ordinance. An additional \$100,000 in revenue collected since the preparation of the FY 2021 budget will be added to the current FY 2021 Rental Housing Program Fund operating budget to cover the additional \$75,000 cost of the agreement with Project Sentinel.

## **ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution Authorizing Agreement with Project Sentinel
Attachment III	Resolution Authorizing Amendment to FY 2021 Operating Budget