

TO:	Mayor and Councilmembers
FROM:	Vyto Adomaitis, Neighborhood Services & Public Safety Director
CONTACT:	Jaime A. Valdez, Economic Development Coordinator
SUBJECT:	Rental Housing Mediation Program Services for Fiscal Years 2018-19 and 2019-20

## **RECOMMENDATION:**

Approve and authorize the City Manager to execute an Agreement for Rental Housing Mediation Program Services between the City of Santa Barbara and the City of Goleta, beginning July 1, 2018 through June 30, 2020, for a total contract amount of \$72,681.28, subject to the approval of the Fiscal Year 2018-19 and Fiscal Year 2019-20 Budgets.

#### BACKGROUND:

The City of Santa Barbara's Rental Housing Median Program ("RHMP") has provided a wide range of rental housing mediation services to the City for the benefit of its residents since incorporation, except for Fiscal Year (FY) 2010-11. These services include but are not limited to RHMP staff consultations (specifically and expressly excluding legal advice) regarding California Tenant/Landlord Rights and Responsibilities and Fair Housing; information, sample letters, printed materials on Tenant/Landlord Rights and Responsibilities and other materials relating to rental housing disputes and mediation; collaborative interaction and referrals to social service agencies as needed for rapid re-housing and prevention of homelessness; RHMP staff-conducted mediations by telephone, with consenting parties to resolve rental-housing disputes.

In previous fiscal years the yearly cost to the City was less than \$30,000 and thus under the City Manger's signature authority. With increases in costs, that yearly amount now exceeds \$30,000 per year and requires City Council authorization.

# DISCUSSION:

On April 9, 2018, RHMP provided updated costs for FY 2018-19. The cost of providing services for FY 2018-19 is a flat fee of \$36,340.64 and provides for an unlimited provision of information on tenant/landlord rights and responsibilities and mediations to parties in rental housing disputes to residents residing in the City of Goleta.

The City of Santa Barbara is willing to lock in the same flat fee for FY 2019-20 resulting in a total compensation of \$72,681.28 for two FYs which would provide their RHMP services from July 1, 018 through June 30, 2020. The RHMP Services Agreement for FYs 2018-19 and 2019-20 is attached (Attachment 1).

The following table compares the FY 2013-14 contract cost with the costs for the following four FYs (2014-15, 2015-16, 2016-17, and 2017-18) as well as the upcoming FYs (2018-19 and 2019-20):

	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Cost (Rounded to nearest dollar)	\$17,000	\$18,500	\$28,676	\$28,676	\$29,980	\$36,341	\$36,341
Year over Year Change		\$1,500	\$10,176	\$0	\$1,304	\$6,361	\$0
Year over Year Percent Change		8.82%	55.01%	0%	4.5%%	21.22%	0%
Compound Annual Growth Rate relative to FY 2013-14		8.82%	29.8%%	19.04%	15.24%	16.41%	13.50%

While City staff requested a one-year contract to coincide with the second year of our current two-year budget, the RHMP was willing to commit to a two-year contract for Rental Housing Mediation Program Services for FYs 2018-19 and 2019-20 at the amounts provided above.

# FISCAL IMPACTS:

Sufficient budget is available in the revised FY 2018-19 Budget for the first year of the Agreement of \$36,341 and will be paid out of the Contract Services Account (101-5-6100-550). This second year of the Agreement would be subject to the approval of the FY 2019-20 Budget with an allocation of \$36,341 anticipated in June of 2019.

# ALTERNATIVES:

No feasible alternatives for Rental Housing Mediation Services exist at this time. A previous attempt to use another provider resulted in limited assistance to residents.

# **Reviewed By:**

Legal Review By:

Approved By:

Carmen Nichols Deputy City Manager

Michael Jenkins City Attorney

ere

Michelle Greene City Manager

# ATTACHMENT:

1. Agreement for Rental Housing Mediation Program Services between the City of Santa Barbara and the City of Goleta, beginning July 1, 2018 through June 30, 2020

# **ATTACHMENT 1**

Agreement for Rental Housing Mediation Program Services between the City of Santa Barbara and the City of Goleta, beginning July 1, 2018 through June 30, 2020

#### AN AGREEMENT FOR RENTAL HOUSING MEDIATION PROGRAM SERVICES BETWEEN THE CITY OF GOLETA AND CITY OF SANTA BARBARA

THIS AGREEMENT FOR RENTAL HOUSING MEDIATION PROGRAM SERVICES, made and entered into this 19<sup>th</sup> day of June 2018, by and between the **CITY OF GOLETA**, a municipal corporation (hereinafter referred to as "CITY"), and **CITY OF SANTA BARBARA** (hereinafter referred to as "SANTA BARBARA").

**WHEREAS**, as part of the requirements of the Community Development Block Grant program, the federal Department of Housing and Urban Development (HUD) requires that the CITY, as a grantee, affirmatively further fair housing by providing fair housing related services to its residents; and

WHEREAS, the CITY desires to provide those fair housing services by:

- a. Providing information on landlord/tenant rights and responsibilities to residents living in rental housing in the City of Goleta;
- b. Providing telephone and in-person, "face-to-face" mediations to parties in rental housing disputes residing in the City of Goleta; and
- c. Informing City of Goleta residents of the services available to them.

WHEREAS, SANTA BARBARA provides fair housing services through its Rental Housing Mediation Program by offering information on California Rules and Regulations pertaining to landlord/tenant rights and responsibilities to parties in a residential rental housing situation, and providing mediation services to landlords, tenants, roommates and neighbors regarding disputes pertaining to residential rental housing; and

**WHEREAS**, the CITY desires to provide fair housing services to Goleta residents through contract with SANTA BARBARA for rental housing dispute information and mediation services to be provided by Santa Barbara's Rental Housing Mediation Program; and

**WHEREAS**, the City Council, on this 19<sup>th</sup> day of June 2018, approved this AGREEMENT and authorized the City Manager to execute the AGREEMENT.

**NOW, THEREFORE**, for good and valuable consideration, the receipt of which is hereby acknowledged, the CITY and SANTA BARBARA agree as follows:

# 1. TERM, PROGRESS, AND COMPLETION

The term of this Agreement for Rental Housing Mediation Program Services is from the date first written above to June 30, 2020, unless term of this Agreement is extended or the Agreement is terminated as provided for herein.

SANTA BARBARA shall not commence work on the services to be performed until July 1, 2018. All services shall be completed quarterly and SANTA BARBARA shall provide quarterly and an annual statistical report of services to CITY.

# 2. PROGRAM DESCRIPTION

SANTA BARBARA offers fair housing services through its Community Development Department, Housing and Human Services Division which operates the Rental Housing Mediation Program (RHMP). SANTA BARBARA, through its RHMP program offers information on landlord/tenant rights and responsibilities.

SANTA BARBARA through its RHMP program also provides mediation services pursuant to the Dispute Resolution Programs Act Statutes and Regulations as set forth in the California Business and Professions Code Section 465 <u>et seq</u>, and in Title 16, Division 36 of the California Code of Regulations. RHMP mediates disputes between any combination of parties: landlord-tenant, roommate-roommate, property manager-tenant and sublessor-sublessee. Rental housing disputes generally concern security deposits, termination of tenancies, habitability and repair, invasion of privacy, rent increases, forcible evictions and general information, including but not limited to: lease termination, retaliatory eviction, rent withholding, repair and deduct, abandonment, last month's rent, change in terms of tenancy, late fees, co-tenants, sub-tenants, and guests.

# 3. DELIVERY OF SERVICE

SANTA BARBARA agrees to provide the following specific types of dispute resolution services to CITY:

- a. Staff consultation (specifically and expressly excluding legal advice) regarding California Tenant/Landlord Rights and Responsibilities and Fair Housing;
- b. Information, sample letters, printed materials on Tenant/Landlord Rights and Responsibilities and other materials relating to rental housing disputes and mediation. Available for distribution in person, email and fax;
- c. Collaborative interaction and referrals to social service agencies as needed for rapid re-housing and prevention of homelessness;
- d. Staff-conducted mediations by telephone, with consenting parties to resolve rental-housing disputes. Parties' terms of agreement can be memorialized in mutually agreed-upon binding settlement agreements written by staff and signed by the parties. These agreements can be admissible and enforceable in a court

of law. Mediation can take 4 to 10 hours of staff time depending on various factors, including the special needs of persons with disabilities;

- e. Public speaking, outreach and education on mediation as an alternative to costly legal resolutions to rental housing disputes; and
- f. Administrative tasks associated with the above.

# 4. TARGETED POPULATION AND GEOGRAPHIC AREA

SANTA BARBARA shall provide residential rental housing dispute resolution, information and mediation services to residents in the City of Goleta through its Rental Housing Mediation Program. This agreement does not include services for residents of mobile homes, trailer parks, hotels, motels or commercial businesses. All other City of Goleta residents are eligible for services under this Agreement.

## 5. HOURS OF OPERATION

SANTA BARBARA shall provide staff through its Rental Housing Mediation Program to answer the telephone at (805) 564-5420, Monday through Thursday and alternating Fridays from 8:30 a.m. until 5:30 p.m. Voicemail service is available when staff is on the phone or meeting with a client. The fax number is (805) 564-5477. The website address is: www.santabarbaraca.gov/RHMTF.

# 6. CHARGES FOR SERVICE

Staff-conducted mediations, whether by telephone or "face-to-face," staff consultation and informational services of the RHMTF as provided in this Agreement are available free of charge for the residents of rental properties located within the City of Goleta.

# 7. <u>FEES</u>

CITY agrees to pay SANTA BARBARA a flat fee of \$72,681.28 for the term of this agreement payable at the rate of \$9,085.16 per quarter. This fee is a flat fee, not hourly, and provides for an unlimited provision of information on tenant/landlord rights and responsibilities and mediations to parties in rental housing disputes to residents residing in the City of Goleta as further described in Section 3 of this Agreement. CITY shall pay the quarterly fee on or before the following dates: November 1, 2018; February 1, 2019; May 1, 2019; August 1, 2019, November 1, 2019; February 1, 2020; May 1, 2020; and August 1, 2020.

#### 8. QUARTERLY STATUS REPORT CONTENT

Each quarterly report shall include:

- a. A detailed itemized accounting of the services provided;
- b. A monthly summary of the workload, including number of Goleta residents assisted and the type of services provided;

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- c. A quarterly summary of the workload, including number of Goleta residents assisted and the type of services provided; and
- d. A year-to-date summary of the number of Goleta residents assisted and the type of services provided.

### 9. HOLD HARMLESS AND INDEMNITY

Santa Barbara shall defend, indemnify, and hold City, its officers, employees, and agents, harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent that such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of Santa Barbara, its officers, employees, or agents.

City shall defend, indemnify, and hold Santa Barbara, its officers, employees, and agents, harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent that such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of City, its officers, employees, or agents.

#### 10.INSURANCE

Upon request, SANTA BARBARA shall provide evidence of self-insurance pursuant to State Law adequate to address any claims which may arise as under this Agreement and equivalent to the following limits:

- a. GENERAL LIABILITY INSURANCE: General liability insurance including contractual liability for the agreement between GOLETA and SANTA BARBARA. CITY its officers, employees and agents shall be named as "Additional Insured" on any policy. The limit of liability of said policy for general liability insurance shall not be less than \$2,000,000 per occurrence combined single limit for bodily injury and property damage. Personal injury coverage should also be in the amount of not less than \$1,000,000 per occurrence and aggregate. Said policy or policies shall contain a provision that such insurance as is afforded by this policy shall be primary and contributory to the full limits stated in the declarations, and if the SANTA BARBARA or CITY has other valid and collectible insurance for a loss covered by this policy, that other insurance shall be excess only.
- b. WORKERS' COMPENSATION INSURANCE: Statutory Workers' Compensation and Employer's Liability Insurance shall cover all SANTA BARBARA's staff while performing any work incidental to the performance of this AGREEMENT. The policy shall provide that no cancellation, major change in coverage, or expiration shall be effective or occur until at least (30) calendar days after receipt of such notice by CITY.

### 11. RELATIONSHIP OF PARTIES

The relationship of the parties to this AGREEMENT shall be that of independent contractors and that in no event shall RHMP staff be considered officers, agents, servants or employees of CITY. SANTA BARBARA shall be solely responsible for any workers compensation insurance, withholding taxes, unemployment insurance, and any other employer obligations associated with the described work.

### 12. TERMINATION BY CITY

CITY, by notifying SANTA BARBARA in writing, may upon 30 calendar days' notice, terminate without cause any portion or all of the services agreed to be performed under this AGREEMENT. In the event of termination, SANTA BARBARA shall have the right and obligation to immediately complete work in progress for the purpose of closing out services. All compensation shall be pro-rated based on the annual fee at the time of termination and shall be payable by CITY to SANTA BARBARA within 30 days following submission of a final statement by SANTA BARBARA.

## 13. ACCEPTANCE OF FINAL PAYMENT CONSTITUTES RELEASE

The acceptance by SANTA BARBARA of the final payment made under this AGREEMENT shall operate as and be a release of CITY from all claims and liabilities for compensation to SANTA BARBARA for anything done, furnished, or relating to SANTA BARBARA's work or services. Acceptance of payment shall be any negotiation of CITY's check or the failure to make a written extra compensation claim within 10 calendar days of the receipt of that check.

#### 14. MAINTENANCE OF RECORDS

At any time during normal business hours and as often as CITY may deem necessary, SANTA BARBARA shall make available to a representative of CITY for examination of all its records with respect to all matters covered by this AGREEMENT and will permit CITY, at CITY's cost, to examine and/or reproduce such records. SANTA BARBARA will retain such financial records, time sheets, work reports, invoices, bills and project records for at least two years after termination or final payment under this AGREEMENT.

#### 15. WAIVER; REMEDIES CUMULATIVE

Failure by a party to insist upon the strict performance of any of the provisions of this AGREEMENT by the other party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such party's right to demand strict compliance by such other party in the future. No waiver by a party of a default or breach of the other party shall be effective or binding upon such party unless made in writing by such party, and no such waiver shall be implied from any omissions by a party to take any action with respect to such default or breach. No express written waiver of a specified default or breach shall affect any other default or breach, or cover any other period of time, other than any default or breach and/or period of time specified.

All of the remedies permitted or available to a party under this AGREEMENT, or at law or in equity, shall be cumulative and alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right of remedy.

#### 16. CONSTRUCTION OF LANGUAGE OF AGREEMENT

The provisions of this AGREEMENT shall be construed as a whole according to its common meaning of purpose of providing a public benefit and not strictly for or against any party. It shall be construed consistent with the provisions hereof, in order to achieve the objectives and purposes of the parties. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neutral genders or vice versa.

#### 17. MITIGATION OF DAMAGES

In all situations arising out of this AGREEMENT, the parties shall attempt to avoid and minimize the damages resulting from the conduct of the other party.

#### 18. GOVERNING LAW

This AGREEMENT, and the rights and obligations of the PARTIES, shall be governed and interpreted in accordance with the laws of the State of California. Should litigation occur, venue shall be in Superior Court of Santa Barbara County.

#### 19. NON-APPROPRIATION OF FUNDS

Payments due and payable to SANTA BARBARA for current services are within the current budget and within an available, unexhausted and unencumbered appropriation of CITY funds. In the event CITY has not appropriated sufficient funds for payment of SANTA BARBARA's services beyond the 2018-2019 fiscal year, this AGREEMENT shall cover only those costs incurred up to the conclusion of the 2018-2019 fiscal year. In the event of such non-appropriate of funds, City shall immediately inform Santa Barbara of such fact and Santa Barbara may stop accepting requests for services from all Goleta residents.

#### 20. MODIFICATION OF AGREEMENT

The tasks described in this AGREEMENT and all other terms of this AGREEMENT may be modified only upon mutual written consent of CITY and SANTA BARBARA.

#### 21. USE OF THE TERM "CITY"

Reference to "CITY" in this AGREEMENT includes City Manager or any authorized representative acting on behalf of CITY.

#### 22. CAPTIONS

The captions or headings in this AGREEMENT are for convenience only and in no other way define, limit or describe the scope or intent of any provision or section of the AGREEMENT.

#### 23. AUTHORIZATION

Each party has expressly authorized the execution of this AGREEMENT on its behalf and bind said party and its respective administrators, officers, directors, shareholders, divisions, subsidiaries, agents, employees, successors, assigns, principals, partners, joint venturers, insurance carriers and any others who may claim through it to this AGREEMENT.

#### 24. ENTIRE AGREEMENT BETWEEN PARTIES

This AGREEMENT supersedes any other agreements, either oral or in writing, between the PARTIES hereto with respect to the rendering of services, and contains all of the covenants and agreements between the PARTIES with respect to said services.

#### 25. PERMITS

SANTA BARBARA, at its sole expense, shall obtain and maintain during the term of this AGREEMENT, all appropriate permits, licenses, and certificates that may be required in connection with the performance of services under this AGREEMENT.

#### 26. PARTIAL INVALIDITY

If any provision in this AGREEMENT is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

#### 27. NOTICES

Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in the United States mail, postage prepaid, and addressed as follows:

GOLETA:	Attention: Michelle Greene City Manager City of Goleta 130 Cremona Drive, Suite B Goleta, CA 93117
SANTA BARBARA:	Deirdre Randolph Community Development Programs Supervisor P.O. Box 1990 Santa Barbara, CA 93102-1990

City of Goleta Agreement with City of Santa Barbara Rental Housing Mediation Program Service Agreement Page 7 of 8 In concurrence and witness whereof, this AGREEMENT has been executed by the parties effective on the date and year first above written.

## **CITY OF GOLETA**

**CITY OF SANTA BARBARA** 

Michelle Greene City Manager George Buell Community Development Director

ATTEST:

# **APPROVED AS TO CONTENT:**

Deborah S. Lopez City Clerk Deirdre Randolph Community Development Programs Supervisor

## **APPROVED AS TO FORM:**

# APPROVED AS TO FORM:

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Michael Jenkins City Attorney

Sarah Knecht Assistant City Attorney