

CITY HALL · ONE FRANK H. OGAWA PLAZA 4TH FLOOR · OAKLAND CALIFORNIA · 94612

Courtney A. Ruby, CPA, CFE City Auditor

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August 1, 2022

Asha Reed, City Clerk 1 Frank H. Ogawa Plaza Oakland, CA 94612

RE: Financial Analysis of "Just Cause Amendment" November 2022 ballot measure

Dear City Clerk Reed:

I am pleased to submit an impartial financial analysis of the "Just Cause Amendment" ballot measure which would amend Oakland Municipal Code 8.22.300, the Just Cause for Eviction Ordinance (Measure EE passed by Oakland voters in November 2002).

The Office of the City Auditor prepared this analysis in accordance with Municipal Code Section 3.08.210, which requires the Office to prepare an impartial financial analysis of each measure qualifying for ballot placement.

If you have any questions, please contact Assistant City Auditor, Michael Houston at 510-238-3114.

Sincerely,

Courtney A. Ruby, CPA, CFI

City Auditor

Summary

This measure, if approved by a majority of the voters, would amend Oakland Municipal Code 8.22.300, the Just Cause for Eviction Ordinance (Measure EE passed by Oakland voters in November 2002). Specifically, this measure would: 1) extend eviction protections to vehicular residential facilities and newly constructed rental units except accessory dwellings constructed in the first 10 years; 2) remove failure to execute a lease extension as grounds for eviction; and 3) prohibit most no-fault evictions affecting children and Oakland Unified School District employees during the school year.

Financial Analysis

If the measure passes, and if the City Council adopts the amendment to the Just Cause Ordinance (Ordinance), the fiscal impact to the City of Oakland (City) should be negligible, as any staffing or other costs associated with the measure would likely be offset by the fees assessed on the additional rental units and vehicular residential facilities that would be subject to the Ordinance.

The proposed amendment, however, would increase the number of rental properties and vehicular residential facilities subject to the Ordinance, as well as the resulting fees. Currently, owners of rental properties covered by the Ordinance are required to pay annual fees of \$101 per unit. Moreover, rental property owners and vehicular residential facilities will be able to pass on up to half of these fees to their tenants. Thus, more renters potentially could be required to pay up to half of the annual per unit fees associated with the Ordinance.

Our independent analysis is based on the best information available at this time.