



AGENDA REPORT

Community Development

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| DATE: | April 1, 2025 |
| TO: | Mayor Martinez and Members of the City Council |
| FROM: | Lina Velasco, Director of Community Development Shannon Moore, Chief Assistant City Attorney Eva Mann, Code Enforcement Manager |
| Subject: | Contract Amendment No. 2 with Civica Law Group, APC |
| FINANCIAL IMPACT: | As amended, the total payment limit for this contract will not exceed \$1,135,600.44. The City anticipates cost recovery of the majority of the legal expenditures as the receivership program and many of the code enforcement actions are recoverable. |
| PREVIOUS COUNCIL ACTION: | March 21, 2023 |
| STATEMENT OF THE ISSUE: | On March 21, 2023, the City Council approved a legal services agreement with Civica Law Group, APC for \$485,600.44 with a contract expiration date of June 30, 2024. Amendment No. 1 was executed on March 5, 2024, to extend the term expiration to June 30, 2027. The Community Development Department is requesting approval of an Amendment No. 2 with Civica Law Group, APC to increase the contract amount by \$650,000, for a total contract amount of \$1,135,600.44, for a term through June 30, 2027. |

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| RECOMMENDED ACTION: | APPROVE second amendment to the Legal Services Agreement with Civica Law Group, APC to increase the contract amount by \$650,000, for a total contract amount not to exceed \$1,135,600.44, for a term through June 30, 2027, to provide legal representation, advice, and assistance to the City of Richmond regarding code enforcement matters and to continue the City’s Health and Safety Receivership Program - Community Development Department (Lina Velasco/Eva Mann 510-620-6841). |
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DISCUSSION:

On March 21, 2023, the City Council approved a Legal Services Agreement (LSA) with Civica Law Group, APC (“Special Counsel”) for legal representation, advice, and assistance to the City of Richmond regarding code enforcement matters and to continue the City’s Health and Safety Receivership Program.

On March 5, 2024, administrative Amendment No. 1 was executed to extend the term of the LSA with Special Counsel to June 30, 2027.

Community Development staff is seeking Council approval of Amendment No. 2 to the LSA to increase the contract amount by \$650,000, for a total contract amount of \$1,135,600.44 for a term through June 30, 2027.

Code Enforcement issues encountered throughout the City continue to require the support of Special Counsel, who specializes in advising on code enforcement issues, quality of life issues, nuisance abatement, and Health and Safety Receiverships.

Receivership Program Background:

In 2018, the City of Richmond launched a Health and Safety Receivership Program. The program rehabilitates abandoned, substandard, and nuisance properties in Richmond, which pose significant health and safety hazards to the community and public. The Code Enforcement Division, Building and Safety, Planning, and Richmond Fire and Police Departments have all worked with the City Attorney’s Office and Special Counsel. Below are recent highlights of two of the many successes working with Special Counsel to bring dangerous and substandard properties into full compliance, making Richmond a safer place to live and work.

The City referred to Special Counsel a case involving a substantially fire-damaged residential property, which had been vacant, severely damaged, and on the City’s radar for noncompliance for nearly 8 years. The owners are deceased, and no responsible party or heir stepped forward to take responsibility for the property. A receiver was appointed over the property, performed demolition efforts to remove the fire-damaged structure, and the property was sold to a buyer, who will find a productive use for the

land. The City received full reimbursement for fees, substantial staff time, and costs of prior City abatements (over \$165,000) expended for its nuisance abatement efforts.

Additionally, Special Counsel assists staff with resolution of several nuisance properties without the need for litigation. In the last two years, Special Counsel has worked with the City and owners of substandard properties to secure five compliance agreements, which set forth firm compliance deadlines for properties to be brought into full compliance and also provide for reimbursement of the City's abatement efforts. As part of these five compliance agreements, the City has been reimbursed approximately \$110,000 for its abatement efforts.

Moreover, in the last month, Special Counsel has assisted staff with securing an additional compliance agreement for a substandard commercial property presenting extreme fire hazards. The circumstances and dangers present at the property largely resemble those that were present at the Oakland warehouse before the infamous Ghost Ship fire occurred in 2016. This compliance agreement facilitates the sale of the property to a buyer willing to abate the fire hazards and bring the property into full compliance and the City is to be reimbursed for its total costs and fees (approx. \$15,000) expended for its nuisance abatement efforts.

Similarly, in the last month, Special Counsel has assisted staff with securing appointment of receiver over a substandard and dangerous multi-family property, which has been the source of calls for service and citizen complaints for various crimes such as non-stop vehicle and foot traffic (evidencing narcotics sales), prostitution, illegal occupation of the garages, mold, and fire hazards. Despite expending substantial resources to obtain compliance from the owner for nearly a decade, the owner refused and was unable to take any action. Special Counsel was retained to proceed with the receivership action and the order appointing the receiver awards the City rights to reimbursement of abatement costs, which currently total more than \$45,000.

To date, the City has obtained \$592,075.31 in cost reimbursement, including staff time, attorney fees, abatement costs, and administrative fines in connection with the work performed by Special Counsel. It is expected that the City will soon receive additional cost reimbursement of approximately \$60,000.

Special Counsel also assists staff with improving processes and procedures, staying current with changes in State law, and improving accordingly, reducing liability exposure to the City, all of which are vital, but do not have a recoverable cost component.

Specifically, Special Counsel assisted the City with the roll out of the renewed Richmond Residential Rental Inspection Program, key amendments for sidewalk vending, and recent Tobacco Enforcement efforts, including the Tobacco moratorium. Special Counsel is also working with City staff on updating and revising the Richmond Municipal Code to ensure compliance with all new State laws and provides legal assistance on various other matters including but not limited to; enforcement of illegal cannabis operations; license revocation; and general legal advice on internal policy and

procedures to ensure compliance with all laws, thus helping mitigate City risks and potential liabilities.

Given these successes obtained by Special Counsel, the City desires to continue to work with Special Counsel through Civica Law Group, APC.

DOCUMENTS ATTACHED:

Attachment 1 – Amendment No. 2

Attachment 2 – Original LSA and Amendment No. 1