



Housing Department, Rent Stabilization Division

DATE: July 24, 2025

TO: Rental Housing Committee

FROM: Andrea Kennedy, Senior Management Analyst

Anky van Deursen, Rent Stabilization Manager

SUBJECT: Agreement Amendment with Goldfarb & Lipman LLP for Fiscal Year 2024-25

RECOMMENDATION

Authorize the Rent Stabilization Manager or designee to amend the Fiscal Year 2024-25 agreement with Goldfarb & Lipman LLP and add \$8,600, for a total amount not to exceed \$208,600 (instead of \$200,000) to pay for the cost of legal services performed in Fiscal Year 2024-25 related to rent adjustment petition appeals.

BACKGROUND

On June 13, 2024, the RHC authorized an agreement with Goldfarb & Lipman LLP (Goldfarb & Lipman) to provide legal counsel and litigation services for the Rental Housing Committee (RHC) to assist with implementing and administering the Community Stabilization and Fair Rent Act (CSFRA), for a total amount not to exceed \$200,000 (see attachment 1). Services include reviewing submitted petitions and drafting Tentative Appeal decisions when the submitter of a petition appeals the decision of a Hearing Officer to the RHC.

In Fiscal Year 2024-25, Goldfarb & Lipman provided services that totaled S208,600, exceeding the budgeted amount by \$8,600. This was caused by a significant increase in the number of petitions filed in the previous year, which resulted in an increased number of appeals. The increase in appeals filed with the RHC resulted in a higher-than-expected cost for invoices that were submitted for payment at the end of the fiscal year.

ANALYSIS

To pay for the additional \$8,600, the Fiscal Year 2024-25 agreement with Goldfarb & Lipman must be amended to add funding. The RHC's adopted policies and procedures stipulate that any contract over \$50,000 requires RHC approval for the Division Manager or designee to execute such agreements. This includes amendments to agreements where the total not-to-exceed

amount is over \$50,000. Because the original agreement is over the \$50,000 threshold, amending this agreement to add \$8,600 for a not-to-exceed amount of \$208,000 requires RHC approval.

FISCAL IMPACT

If the RHC approves this amendment, the additional \$8,600 for the Fiscal Year 2024-25 agreement will come out of the Fiscal Year 2025-26 approved budgeted amount (\$250,000) for Goldfarb & Lipman services because the Fiscal Year 2024-25 financials are closed. As the number of petitions filed has tapered off, staff does not expect Fiscal Year 2025-26 to see the same level of appeals as last year; therefore, the remaining budget (\$241,400 pending RHC approval of this item) for this year is expected to be sufficient to cover Goldfarb & Lipman services.

<u>PUBLIC NOTICING</u>—Agenda posting, posting on the City's website, and email to RHC distribution list.

Attachments: 1. June 13, 2024 RHC Memo— Contract Renewal with Goldfarb & Lipman LLP for Fiscal Year 2024-25