



REGULAR MEETING OF THE RENT BOARD OF THE CITY OF RICHMOND

**CITY COUNCIL CHAMBERS, COMMUNITY SERVICES BUILDING
440 Civic Center Plaza, Richmond, CA 94804**

**AGENDA
Wednesday, April 19, 2023**

Link to Rent Board Meeting Agendas and Accompanying Materials:
www.ci.richmond.ca.us/3375/Rent-Board

Boardmembers

Alana Grice Conner
Elaine Dockens
Jim Hite
Carole Johnson
Michael Vasilas

NOTICE: SEATING IN THE CHAMBERS WILL BE LIMITED TO THE FIRST 39 PEOPLE AND MASKS ARE STRONGLY ENCOURAGED.

Accessibility for Individuals with Disabilities

Upon request, the City will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services and sign language interpreters, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least two days before the meeting. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, interpretation service or alternative format requested at least two days before the meeting. Requests should be emailed to cyntha_shaw@ci.richmond.ca.us and rent@ci.richmond.ca.us or submitted by phone at (510)

620-5552. Requests made by mail to the Rent Program Office, Rent Board meeting, 440 Civic Center Plaza, Suite 200, Richmond, CA 94804 must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

NOTICE TO PUBLIC

The City of Richmond encourages community participation at public meetings and has established procedures that are intended to accommodate public input in a timely and time-sensitive way. As a courtesy to all members of the public who wish to participate in Rent Board meetings, please observe the following procedures:

Public Comment on Agenda Items: Persons wishing to speak on a particular item on the agenda shall file a speaker form with City staff PRIOR to the Rent Board's consideration of the item on the agenda. Once the clerk announces the item, only those persons who have previously submitted speaker forms shall be permitted to speak on the item. Each speaker will be allowed up to two minutes to address the Rent Board.

Public Forum: Individuals who would like to address the Rent Board on matters not listed on the agenda or on items remaining on the consent calendar may do so under Public Forum. All speakers must complete and file a speaker's card with City staff prior to the commencement of Public Forum. The amount of time allotted to individual speakers shall be determined based on the number of persons requesting to speak during this item. The time allocation for each speaker will be as follows: 15 or fewer speakers, a maximum of 2 minutes; 16 to 24 speakers, a maximum of 1 and one-half minutes; and 25 or more speakers, a maximum of 1 minute.

Conduct at Meetings: Richmond Rent Board meetings are limited public forums during which the City strives to provide an open, safe atmosphere and promote robust public debate. Members of the public, however, must comply with state law, as well as the City's laws and procedures and may not actually disrupt the orderly conduct of these meetings. The public, for example, may not shout or use amplifying devices, must submit comment cards and speak during their allotted time in order to provide public comment, may not create a physical disturbance, may not speak on matters unrelated to issues within the jurisdiction of the Rent Board or the agenda item at hand, and may not cause immediate threats to public safety.

City Harassment Policy: The City invites public comment and critique about its operations, including comment about the performance of its public officials and employees, at the public meetings of the City Council and boards and commissions. However, discriminatory or harassing comments about or in the presence of City employees, even comments by third parties, may create a hostile work environment, if severe or pervasive. The City prohibits harassment against an applicant, employee, or contractor on the basis of race, religious creed, color, national origin, ancestry, physical disability, medical condition, mental disability, marital status, sex (including pregnancy, childbirth, and related medical conditions), sexual orientation, gender identity, age or veteran status, or any other characteristic protected by federal, state or local law. In order to acknowledge the public's right to comment on City operations at public meetings, which could include comments that violate the City's harassment policy if such comments do not cause an actual disruption under the Council Rules and Procedures, while taking reasonable steps to protect City employees from discrimination and harassment, City Boards and Commissions shall adhere to the following procedures. If any person makes a harassing remark at a public meeting that violates the above City policy prohibiting harassment, the presiding officer of the meeting may, at the conclusion of the speaker's remarks and allotted

time: (a) remind the public that the City's Policy Regarding Harassment of its Employees is contained in the written posted agenda; and (b) state that comments in violation of City policy are not condoned by the City and will play no role in City decisions. If any person makes a harassing remark at a public meeting that violates the above City policy, any City employee in the room who is offended by remarks violating the City's policy is excused from attendance at the meeting. No City employee is compelled to remain in attendance where it appears likely that speakers will make further harassing comments. If an employee leaves a City meeting for this reason, the presiding officer may send a designee to notify any offended employee who has left the meeting when those comments are likely concluded so that the employee may return to the meeting. The presiding officer may remind an employee or any council or board or commission member that he or she may leave the meeting if a remark violating the City's harassment policy is made.

REGULAR MEETING OF THE RICHMOND RENT BOARD

AGENDA

5:00 PM

A. PLEDGE TO THE FLAG

B. ROLL CALL

C. STATEMENT OF CONFLICT OF INTEREST

D. AGENDA REVIEW

E. PUBLIC FORUM

F. RENT BOARD CONSENT CALENDAR

- | | | |
|-------------|---|---------------------|
| F-1. | APPROVE the minutes of the March 15, 2023, Regular Meeting of the Richmond Rent Board. | <i>Cynthia Shaw</i> |
| F-2. | RECEIVE the Fiscal Year 2022-23 Monthly Activity Report through March 2023. | <i>Cynthia Shaw</i> |
| F-3. | RECEIVE the Rent Program FY 2022-23 Monthly Revenue and Expenditure Report through March 2023. | <i>Fred Tran</i> |
| F-4. | RECEIVE the Budgeted versus Actual Revenue and Expenditures Report for the third quarter ending March 31, 2023. | Fred Tran |
| F-5. | APPROVE late fee waiver(s) for April 2023 pursuant to Regulation 425. | <i>Fred Tran</i> |

G. RENT BOARD AS A WHOLE

- | | | |
|-------------|--|--------------------------------------|
| G-1. | RECEIVE a presentation regarding the Rent Program budget process and requirements for the Fiscal Year 2023-24 Rent Program operating Budget and corresponding Rental Housing Fee Study and discuss scheduling a Special meeting to review a preliminary proposed Rent Program Budget and corresponding Fee Study for the Fiscal Year 2023-24 Budget. | <i>Nicolas Traylor
Fred Tran</i> |
|-------------|--|--------------------------------------|

H. REPORTS OF OFFICERS/SCHEDULING

I. ADJOURNMENT

Any documents produced by the City and distributed to a majority of the Rent Board regarding any item on this agenda will be made available at the Rent Program Office located on the second floor of 440 Civic Center Plaza and will be posted at www.richmondrent.org.

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: April 19, 2023

Final Decision Date Deadline: April 19, 2023

STATEMENT OF THE ISSUE: The minutes of the March 15, 2023, Regular Meeting of the Richmond Rent Board require approval.

INDICATE APPROPRIATE BODY

- | | | | | |
|---|---|--|--|---|
| <input type="checkbox"/> City Council | <input type="checkbox"/> Redevelopment Agency | <input type="checkbox"/> Housing Authority | <input type="checkbox"/> Surplus Property Authority | <input type="checkbox"/> Joint Powers Financing Authority |
| <input type="checkbox"/> Finance Standing Committee | <input type="checkbox"/> Public Safety Public Services Standing Committee | <input type="checkbox"/> Local Reuse Authority | <input checked="" type="checkbox"/> Other: <u>Rent Board</u> | |

ITEM

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|---|--|--|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Regulation | <input checked="" type="checkbox"/> Other: <u>CONSENT CALENDAR</u> |
| <input type="checkbox"/> Contract/Agreement | <input type="checkbox"/> Rent Board As Whole | |
| <input type="checkbox"/> Grant Application/Acceptance | <input type="checkbox"/> Claims Filed Against City of Richmond | |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Video/PowerPoint Presentation (contact KCRT @ 620.6759) | |

RECOMMENDED ACTION: APPROVE the minutes of the March 15, 2023, Regular Meeting of the Richmond Rent Board – Rent Program (Cynthia Shaw 620-5552).

AGENDA ITEM NO:

F-1.

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RICHMOND, CALIFORNIA, March 15, 2023

The Regular Meeting of the Richmond Rent Board was called to order at 5:02 P.M.

PLEDGE TO THE FLAG

ROLL CALL

Board Members Present: Conner, Vasilas, and Chair Finlay.

Staff Present: Executive Director Nicolas Traylor, Deputy Director Fred Tran, and General Counsel Charles Oshinuga.

Absent: Board Member Johnson and Staff Attorney Palomar Sanchez.

STATEMENT OF CONFLICT OF INTEREST

None.

AGENDA REVIEW

None.

PUBLIC FORUM

None.

RENT BOARD CONSENT CALENDAR

On motion from Board Member Conner, seconded by Board Member Vasilas, the item(s) marked with an (*) were approved with Board Member Johnson absent.

***F-1.** Approve the minutes of the February 15, 2023, Regular Meeting of the Richmond Rent Board.

***F-2.** Receive the Fiscal Year 2022-23 Monthly Activity Report through February 2023.

***F-3.** Receive the Rent Program FY 2022-23 Monthly Revenue and Expenditure Report through February 2023.

***F-4.** Approve late fee waiver(s) for March 2023 pursuant to Regulation 425.

RENT BOARD AS A WHOLE

G-1. The matter to approve the City Council’s request for the Rent Program to provide policy recommendations related to mitigating the impact of the termination of Richmond’s Eviction Moratorium and direct staff to present their findings and recommendations first to the Rent Board for approval and then to the City Council for consideration and possible adoption was presented by Shiva Mishek, Chief of Staff to Mayor Eduardo Martinez. Ms. Mishek presented a request to the Rent Board on behalf of the City Council due to the concern that the ending of Richmond’s Eviction Moratorium on April 28, 2023, will result in an influx of evictions. To address this anticipated eviction increase, City Council requests that the Rent Board allow the Rent Program to provide its expertise and policy recommendations to mitigate the impact of the Richmond Eviction Moratorium ending. Discussion ensued. There were no public comments on this item. A motion by Board Member Vasilas to approve the City Council’s request for the Rent Program to provide policy recommendations related to mitigating the impact of the termination of Richmond’s Eviction Moratorium and direct staff to present their findings and recommendations first to the Rent Board for approval and then to the City Council for consideration and possible adoption, seconded by Chair Finlay, failed by the following vote: **Ayes:** Board Member Vasilas and Chair Finlay. **Noes:** Board Member Conner. **Abstentions:** None. **Absent:** Board Member Johnson.

G-2. The matter to receive an oral update on the Rent Board appointments was presented by Executive Director Nicolas Traylor. Director Traylor reminded current Rent Board Members that whether Board Members are re-appointed, not re-appointed, or replaced, that they are allowed to continue to serve until new Board Members are appointed if they choose. He also mentioned this item will need to be agendaized for further discussion. Discussion ensued. There were no public comments on this item. The Board received the item, and no formal action was taken.

CONSIDERATION OF APPEALS

H-1. General Counsel Charles Oshinuga presented an appeal for Petition number RC21-T143. Both parties appealed a portion of the Hearing Examiner’s Decision that awarded Respondents/Tenants \$270.76, due to a mice problem impacting their Rental Unit. Specifically, the Hearing Examiner found that the Respondents/Tenants met their burden in demonstrating that

mice impacted the Rental Unit for a total of twenty-eight (28) days. Appellant/Landlord challenged the Hearing Examiner with a claim that “there was zero hard evidence on a rodent problem. We had at least 5 people checked [sic] this issue, including handymen, manager, exterminator [sic], no one saw anything related to mice. No other units in the same building had mice problems.” On the other hand, Respondents/Tenants argued the Hearing Examiner should have awarded a greater amount because “the mice issue was a huge inconvenience that [they] dealt with for almost 2 years...[That they] have provided a lot of proof and evidence that seems [sic] to be overlooked. 28 days doesn’t even begin [sic] to cover everything we’ve had to go through dealing with this situation”. The Summation of both parties’ appeal challenges the Record which contains substantial evidence to support the Hearing Examiner’s decision. Rent Board Clerk Cynthia Shaw signed in both the parties. All parties to the case were present. The Appeal hearing began, and the following individuals presented their cases: Yazheng Song, Karina Guadalupe, and Kaliya Cunningham (joint Appellants). The Landlord Appellant presented her case for 5 minutes, the Tenant Respondents was provided 7 minutes to present and presented for 3.97 minutes, and finally, the Appellant closed with a 2-minute presentation. The Tenant Appellants Appeal began, and the Tenant Appellant presented for 5 minutes. The Landlord Respondent was given 7 minutes to present and presented for 5.56 minutes, and finally, the Tenant Appellants closed and was given 2 minutes to present but presented for 95 seconds. The following individuals gave public comments: Melvin Willis and Shannon Cunningham. Discussion ensued. After hearing the issues brought on Appeal and considering the arguments of all parties on Appeal, a motion by Board Member Conner and seconded by Board Member Vasilas to adopt the General Counsel's recommendation to affirm the Hearing Examiner's Decision, finding that Respondents experienced a decrease in Housing Services which mice impacted their Rental Unit for a total of twenty-eight (28) days and the consequent award of \$270.76 passed by the following vote: **Ayes:** Board Member Conner, Vasilas and Chair Finlay. **Noes:** None. **Abstentions:** None. **Absent:** Board Member Johnson.

Rent Board Clerk Cynthia Shaw concluded the hearing and dismissed the parties for Appeal RC21-T143.

REPORTS OF OFFICERS

Executive Director Nicolas Traylor gave a brief report about the upcoming pre-recorded micro-workshop titled "How to file a Termination of Tenancy Notice with the Rent Board," which will be posted to the website on Friday, March 31, 2023. He also mentioned that staff would bring a preliminary draft of the budget at the next Rent Board meeting held in April.

ADJOURNMENT

There being no further business, the meeting adjourned at 6:20 P.M.

Cynthia Shaw
Staff Clerk

(SEAL)

Approved:

Rent Board Chair

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: April 19, 2023

Final Decision Date Deadline: April 19, 2023

STATEMENT OF THE ISSUE: The Monthly Activity Report is designed to provide members of the Rent Board and Richmond community with a quantitative summary of the Rent Program's activities for the month and fiscal year-to-date.

INDICATE APPROPRIATE BODY

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|---|---|--|--|---|
| <input type="checkbox"/> City Council | <input type="checkbox"/> Redevelopment Agency | <input type="checkbox"/> Housing Authority | <input type="checkbox"/> Surplus Property Authority | <input type="checkbox"/> Joint Powers Financing Authority |
| <input type="checkbox"/> Finance Standing Committee | <input type="checkbox"/> Public Safety Public Services Standing Committee | <input type="checkbox"/> Local Reuse Authority | <input checked="" type="checkbox"/> Other: <u>Rent Board</u> | |

ITEM

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|---|--|--|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Regulation | <input checked="" type="checkbox"/> Other: <u>Consent Calendar</u> |
| <input type="checkbox"/> Contract/Agreement | <input type="checkbox"/> Rent Board As Whole | |
| <input type="checkbox"/> Grant Application/Acceptance | <input type="checkbox"/> Claims Filed Against City of Richmond | |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Video/PowerPoint Presentation (contact KCRT @ 620.6759) | |

RECOMMENDED ACTION: RECEIVE the Fiscal Year 2022-23 Monthly Activity Report through March 2023 - Rent Program (Cynthia Shaw 620-5552).

AGENDA ITEM NO:

F-2.

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**Rent Program
FY2022-23 Monthly Activity Report**

ITEM F-2

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23		
	MTD ACTUAL	YTD TOTAL												
3 Public Information & Enrollment Unit														
5 Rent/Eviction Counseling Appointments By Phone	178	187	218	225	276	218	329	170	206	-	-	-	-	2,007
6 Rent/Eviction Counseling Appointments By Walk-ins	4	2	8	15	16	15	18	20	30	-	-	-	-	128
7 Rent/Eviction Counseling Questions Addressed By Email	156	213	180	139	200	184	215	124	76	-	-	-	-	1,487
8 TOTAL RENT/EVICTION COUNSELING APPOINTMENTS	338	402	406	379	492	417	562	314	312	-	-	-	-	3,622
9 Rent/Eviction Counseling Sessions Conducted in Spanish	38	26	20	18	21	13	14	29	45	-	-	-	-	224
10 Rent/Eviction Counseling Sessions Conducted in Mandarin	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Rent/Eviction Counseling Sessions Conducted in Cantonese	-	1	-	-	-	-	-	-	-	-	-	-	-	1
12 Rent/Eviction Counseling Sessions Conducted in Another Language	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL RENT/EVICTION COUNSELING APPOINTMENTS IN A LANGUAGE OTHER THAN ENGLISH	-	27	20	18	21	13	43	29	45	-	-	-	-	216
14 Legal Service Referrals	20	19	22	16	38	34	45	30	26	-	-	-	-	250
17 Mediations Conducted	11	3	-	3	5	3	5	3	4	-	-	-	-	37
18 Assists from Front Office Staff	5	5	7	5	5	5	16	28	82	-	-	-	-	158
19 Courtesy Compliance Letters Sent	38	224	245	261	295	121	14	3	-	-	-	-	-	1,201
20 Community Workshop Attendees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21 Hard Copy Rent Increase Notices Processed	62	52	42	34	50	25	9	10	18	-	-	-	-	302
22 Hard Copy Termination of Tenancy Notices Processed	7	5	8	15	7	7	8	12	7	-	-	-	-	76
24	69	57	50	49	57	32	17	22	25	-	-	-	-	378
25 Billing/Enrollment/Registration Counseling Appointments In-Person	-	-	1	-	-	-	2	1	5	-	-	-	-	9
26 Billing/Enrollment/Registration Counseling Appointments By Phone	36	108	106	36	58	41	20	8	11	-	-	-	-	424
27 Billing/Enrollment/Registration Counseling Questions Addressed By Email	51	114	77	41	51	64	37	24	11	-	-	-	-	470
28 TOTAL BILLING/ENROLLMENT/REGISTRATION COUNSELING APPOINTMENTS	87	222	183	77	109	105	57	32	22	-	-	-	-	894
29 Enrollment/Tenancy Registration Packets Mailed	10	1	38	13	15	13	21	14	11	-	-	-	-	136
30 Enrollment Forms Processed	25	24	31	7	18	50	67	19	15	-	-	-	-	256
31 Rental Housing Fee Invoices Generated	29	5,629	145	8	357	294	37	2	42	-	-	-	-	6,543
32 Checks Processed	8	391	496	151	65	75	4	7	8	-	-	-	-	1,205
33 Checks Returned	2	7	6	53	10	10	1	-	-	-	-	-	-	89
34 Tenancy Registrations Received	30	13	100	20	15	15	77	3	33	-	-	-	-	306
35 Rental Units Discovered Not in Database	1	2	4	3	5	8	11	12	10	-	-	-	-	56
36 Property Information Updated	46	82	9	12	106	6	72	64	13	-	-	-	-	410
37 Compliance Actions (Reviewing Records, Exemption Statuses, Addresses)	-	7	15	68	26	21	11	-	7	-	-	-	-	155
38 Applications for Administrative Determination of Exempt/Inapplicable Status Received	2	7	12	6	7	6	10	4	-	-	-	-	-	54
39 Administrative Determination of Exempt/Inapplicable Status Issued	-	-	-	-	2	6	-	3	-	-	-	-	-	11
40 Declarations of Exemption Processed	-	-	-	33	-	2	-	13	18	-	-	-	-	66
41 LEGAL UNIT														
42 Public Records Act Requests Received	2	1	2	7	2	3	4	-	4	-	-	-	-	25
43 Owner Move-In Eviction Termination of Tenancy Notices Reviewed	-	-	-	-	1	4	1	1	2	-	-	-	-	9
44 Withdrawal from the Rental Market (Ellis Act) Termination of Tenancy Notices Reviewed	-	-	2	2	-	-	-	-	-	-	-	-	-	4
45 Substantial Repairs Termination of Tenancy Notices Reviewed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46 Appeal Hearings Held	-	-	1	-	-	1	1	-	1	-	-	-	-	4
47 HEARINGS UNIT														
50 Consultations with Hearings Unit Coordinator By Phone	3	5	13	4	2	2	5	9	12	-	-	-	-	55
51 Hearings-Related Questions Addressed By Email	34	43	54	31	26	20	42	33	38	-	-	-	-	321
52 TOTAL HEARINGS-RELATED CONSULTATIONS	37	48	67	35	28	22	47	42	50	-	-	-	-	376
53 MNOI Petitions Received (Attachment A)	-	-	-	-	-	3	-	-	-	-	-	-	-	3
54 Increased in Occupants Petitions Received (Attachment B)	1	-	-	-	1	-	-	-	-	-	-	-	-	2
55 Increase in Space or Services Petitions Received (Attachment C)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56 Restoration of Denied AGA Petitions Received (Attachment D)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57 Landlord Individual Rent Adjustment Petitions Received	1	-	-	-	1	3	-	-	-	-	-	-	-	5
58 Landlord Petition to Determine Exempt Status Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
59 TOTAL LANDLORD PETITIONS RECEIVED	2	-	-	-	2	6	-	-	-	-	-	-	-	10
60 Excess Rent or Failure to Return Sec Dep Petitions Received (Attachment A)	1	-	-	-	1	-	1	1	4	-	-	-	-	8
61 Decrease in Space/Services or Habitability Petitions Received (Attachment B)	1	1	-	-	-	-	1	-	10	-	-	-	-	13
62 Reduction in Number of Tenants Petitions Received (Attachment C)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
63 Tenant Petition Based on Multiple Grounds	1	1	-	-	1	-	2	1	10	-	-	-	-	16
64 Tenant Petition for Rent Withholding Petitions Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65 Tenant Petition for Failure to Pay Relocation Payment Petitions Received	-	1	-	-	-	1	-	2	-	-	-	-	-	4
66 TOTAL TENANT PETITIONS RECEIVED	3	3	-	-	2	1	4	4	24	-	-	-	-	41
67 Petition for Determination of Occupancy Status	-	-	-	-	-	-	-	-	-	-	-	-	-	-
68 Petition for Initial Rent Determination	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Rent Program
FY2022-23 Monthly Activity Report**

ITEM F-2

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	
		MTD ACTUAL	YTD TOTAL											
69	Request to Expedite Hearing Process	-	-	-	-	-	-	-	-	-	-	-	-	-
70	Request for a Continuance of the Hearing Process	-	1	-	1	-	-	-	2	-	-	-	-	4
71	Subpoena(s)	-	-	1	-	-	-	-	-	-	-	-	-	1
72	TOTAL OTHER PETITIONS RECEIVED	-	1	1	1	-	-	-	2	-	-	-	-	5
73	Decisions Ordered	1	2	1	1	2	2	-	2	-	-	-	-	11
74	Cases Settled	2	3	1	1	-	-	4	1	-	-	-	-	12
75	Cases Dismissed	-	-	-	-	-	2	1	-	-	-	-	-	3
76	Petitions Withdrawn	1	-	-	-	1	-	-	1	-	-	-	-	3
77	TOTAL CASES CLOSED	4	5	2	2	3	4	5	4	-	-	-	-	29
78	Appeals Received	1	2	-	-	-	-	-	1	1	-	-	-	5
79	Total Open Cases (Tenant Petitions)	3	2	2	2	2	4	5	3	11	-	-	-	34
80	Total Open Cases (Landlord Petitions)	14	13	9	5	8	9	4	4	4	-	-	-	70
81	Total Open Cases (Other Petitions)	-	1	-	-	-	-	-	1	-	-	-	-	2
82	TOTAL OPEN CASES	17	16	11	7	10	13	9	8	15	-	-	-	106
83	Form Submissions													
84	Agent Authorization	-	-	-	-	-	-	-	-	-	-	-	-	-
85	Proof of Excess Rent Refund	-	-	-	-	-	-	-	-	-	-	-	-	-
86	Proof of Permanent Relocation Payment	-	-	1	-	-	-	-	-	3	-	-	-	4
87	Proof of Temporary Relocation Payment	-	-	-	-	-	-	-	-	-	-	-	-	-
88	Change in Terms of Tenancy	22	19	23	13	2	7	-	10	15	-	-	-	111
89	TOTAL RENT INCREASE NOTICES FILED	213	218	114	78	128	33	31	22	32	-	-	-	869
90	Termination of Tenancy - Nonpayment of Rent	86	112	94	133	105	84	49	22	20	-	-	-	705
91	Termination of Tenancy - Breach of Lease	1	2	3	2	4	-	2	-	5	-	-	-	19
92	Termination of Tenancy - Failure to Give Access	-	-	-	-	-	-	-	-	-	-	-	-	-
93	Termination of Tenancy - Nuisance	-	3	-	2	3	2	-	2	-	-	-	-	12
94	Termination of Tenancy - Withdrawal from the Rental Market	1	-	-	5	-	-	-	-	-	-	-	-	6
95	Termination of Tenancy - Owner Move-In	-	-	-	-	6	4	1	-	-	-	-	-	11
96	Termination of Tenancy - Substantial Repairs	-	-	-	-	-	-	-	-	-	-	-	-	-
97	Termination of Tenancy - Temporary Tenancy	-	-	-	-	-	-	-	1	-	-	-	-	1
98	TOTAL TERMINATION OF TENANCY NOTICES FILED	88	117	97	142	118	90	52	25	25	-	-	-	754

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: April 19, 2023

Final Decision Date Deadline: April 19, 2023

STATEMENT OF THE ISSUE: Utilizing the City's MUNIS software system, management staff can generate financial reports on a monthly basis detailing the Rent Program's revenues and expenditures. These reports allow management staff and the Rent Board to closely monitor the Program's financial circumstances.

INDICATE APPROPRIATE BODY

- | | | | | |
|---|---|--|--|---|
| <input type="checkbox"/> City Council | <input type="checkbox"/> Redevelopment Agency | <input type="checkbox"/> Housing Authority | <input type="checkbox"/> Surplus Property Authority | <input type="checkbox"/> Joint Powers Financing Authority |
| <input type="checkbox"/> Finance Standing Committee | <input type="checkbox"/> Public Safety Public Services Standing Committee | <input type="checkbox"/> Local Reuse Authority | <input checked="" type="checkbox"/> Other: <u>Rent Board</u> | |

ITEM

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|---|--|--|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Regulation | <input checked="" type="checkbox"/> Other: <u>Consent Calendar</u> |
| <input type="checkbox"/> Contract/Agreement | <input type="checkbox"/> Rent Board As Whole | |
| <input type="checkbox"/> Grant Application/Acceptance | <input type="checkbox"/> Claims Filed Against City of Richmond | |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Video/PowerPoint Presentation (contact KCRT @ 620.6759) | |

RECOMMENDED ACTION: RECEIVE the Rent Program FY 2022-23 Monthly Revenue and Expenditure Report through March 2023 – Rent Program (Fred Tran 620-6537).

AGENDA ITEM NO:

F-3.

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**RICHMOND RENT PROGRAM
MONTHLY REVENUE AND EXPENDITURES REPORT
FISCAL YEAR 2022-23**

ITEM F-3

OBJECT	ORIGINAL BUDGET	ADOPTED BUDGET	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	Period 7	Period 8	Period 9	ENCUMBRANCES	YTD TOTAL	AVAILABLE BUDGET	% USED
			July	August	September	October	November	December	January	February	March				
340445 Rental Housing Fees	(3,062,687.00)	(3,062,687.00)	(28,326.50)	(766,007.22)	(768,831.20)	(288,653.83)	(180,530.95)	(57,691.70)	(133,172.75)	(40,098.90)	(167,178.70)	-	(2,430,491.75)	(632,195.25)	79.4%
TOTAL LICENSES, PRMITS&FEES	(3,062,687.00)	(3,062,687.00)	(28,326.50)	(766,007.22)	(768,831.20)	(288,653.83)	(180,530.95)	(57,691.70)	(133,172.75)	(40,098.90)	(167,178.70)	-	(2,430,491.75)	(632,195.25)	79.4%
361701 Interest	(14,000.00)	(14,000.00)	-	-	-	(5,706.79)	-	-	(12,246.70)	-	-	-	(17,953.49)	3,953.49	128.2%
361705 Realized Gain	-	-	-	-	-	1,446.34	-	-	921.13	-	-	-	2,367.47	(2,367.47)	100.0%
TOTAL INTEREST & REALIZED INCOME	(14,000.00)	(14,000.00)	-	-	-	(4,260.45)	-	-	(11,325.57)	-	-	-	(15,586.02)	1,586.02	111.3%
364855 OTHER REV/Misc Other Re	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%
364867 Revenue from Collections Agency	(30,000.00)	(30,000.00)	-	-	(7,454.91)	(2,545.60)	-	(21,156.00)	-	(8,921.64)	-	-	(40,078.15)	10,078.15	133.6%
337373 Other Grants	-	-	-	(10,000.00)	-	-	-	-	-	-	-	-	(10,000.00)	10,000.00	100.0%
TOTAL OTHER REVENUE	(30,000.00)	(30,000.00)	-	(10,000.00)	(7,454.91)	(2,545.60)	-	(21,156.00)	-	(8,921.64)	-	-	(50,078.15)	10,078.15	166.9%
TOTAL REVENUE	(3,106,687.00)	(3,106,687.00)	(28,326.50)	(776,007.22)	(776,286.11)	(295,459.88)	(180,530.95)	(78,847.70)	(144,498.32)	(49,020.54)	(167,178.70)	-	(2,496,155.92)	(610,531.08)	80.3%
400001 SALARIES & WAGES/Executive	719,901.00	719,901.00	58,309.76	58,309.76	58,309.76	58,309.76	58,309.76	58,309.76	61,225.26	61,225.26	61,225.26	-	533,534.34	186,366.66	74.1%
400002 SALARIES & WAGES/Mgmt-Local 21	313,701.00	313,701.00	13,345.14	25,351.72	25,351.72	25,351.72	25,351.72	26,323.14	27,639.30	27,639.30	27,639.30	-	223,993.06	89,707.94	71.4%
400003 SALARIES & WAGES/Local 1021	200,427.00	200,427.00	16,347.30	16,347.30	16,347.30	16,347.30	16,347.30	16,347.30	17,164.66	17,164.66	17,304.83	-	149,717.95	50,709.05	74.7%
400006 SALARIES & WAGES/PT- Temp	-	-	2,751.83	519.90	1,600.90	1,445.49	1,391.08	2,136.21	2,120.71	1,291.37	1,625.50	-	14,882.99	(14,882.99)	100.0%
400031 OVERTIME/General	-	-	-	75.69	62.12	50.46	199.92	300.86	12.24	-	-	-	701.29	(701.29)	100.0%
400048 OTHER PAY/Bilingual Pay	8,342.00	8,342.00	682.14	682.14	782.14	882.14	882.14	882.14	916.26	916.26	916.26	-	7,541.62	800.38	90.4%
400049 OTHER PAY/Auto Allowance	4,200.00	4,200.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	-	3,150.00	1,050.00	75.0%
TOTAL SALARIES AND WAGES	1,246,571.00	1,246,571.00	91,786.17	101,636.51	102,803.94	102,736.87	102,831.92	104,649.41	109,428.43	108,586.85	109,061.15	-	933,521.25	313,049.75	74.9%
400103 P-ROLL BEN/Medicare Tax-ER Shr	18,207.00	18,207.00	1,345.70	1,477.98	1,498.54	1,493.94	1,495.32	1,524.73	1,621.40	1,579.63	1,586.50	-	13,623.74	4,583.26	74.8%
400105 P-ROLL BEN/Health Insurance Be	232,291.00	232,291.00	16,449.48	19,545.08	19,545.08	19,545.08	19,545.08	19,545.08	20,777.22	20,777.22	20,777.22	-	176,506.54	55,784.46	76.0%
400106 P-ROLL BEN/Dental Insurance	17,520.00	17,520.00	1,217.00	1,460.40	1,460.40	1,387.32	1,387.32	1,387.32	1,387.32	1,387.32	1,387.32	-	12,461.72	5,058.28	71.1%
400109 P-ROLL BEN/Employee Assistance	216.00	216.00	15.30	18.36	18.36	18.36	18.36	18.36	18.36	18.36	18.36	-	162.18	53.82	75.1%
400110 P-ROLL BEN/Professional Dev-Mg	6,750.00	6,750.00	750.00	-	250.00	-	-	-	-	-	-	-	1,000.00	5,750.00	14.8%
400111 P-ROLL BEN/Vision	2,052.00	2,052.00	143.10	171.72	171.72	166.44	166.44	166.44	166.44	166.44	166.44	-	1,485.18	566.82	72.4%
400112 P-ROLL BEN/Life Insurance	4,139.00	4,139.00	281.43	327.53	327.53	327.53	327.53	327.53	327.53	327.53	327.53	-	2,901.67	1,237.33	70.1%
400114 P-ROLL BEN/Long Term Disabilit	12,342.00	12,342.00	462.00	525.04	526.09	526.09	526.09	531.19	557.70	559.04	559.04	-	4,770.94	7,571.06	38.7%
400116 P-ROLL BEN/Unemployment Ins	5,472.00	5,472.00	456.00	494.00	494.00	494.00	494.00	532.00	532.00	494.00	494.00	-	4,484.00	988.00	81.9%
400117 P-ROLL BEN/Personal/Prof Dev	2,250.00	2,250.00	-	-	-	-	-	211.43	2,038.57	-	-	-	2,250.00	-	100.0%
400121 P-ROLL BEN/Worker Comp-Clerica	17,697.00	17,697.00	1,234.78	1,190.12	1,133.16	1,065.91	1,114.63	1,180.43	1,228.64	1,155.41	1,184.92	-	10,488.00	7,209.00	59.3%
400122 P-ROLL BEN/Worker Comp-Prof	70,286.00	70,286.00	4,872.54	5,688.98	5,688.98	5,688.98	5,688.98	5,755.04	6,042.80	6,042.80	6,042.80	-	51,511.90	18,774.10	73.3%
400127 P-ROLL BEN/OPEB	40,723.00	40,723.00	2,904.06	3,300.28	3,300.28	3,300.28	3,300.28	3,332.34	2,420.66	2,420.66	2,423.86	-	26,702.70	14,020.30	65.6%
400130 P-ROLL BEN/PARS Benefits	-	-	35.78	6.76	20.97	18.79	18.38	28.08	27.73	16.79	21.14	-	194.42	(194.42)	100.0%
400149 P-ROLL BEN/PERS-Misc	156,287.00	156,287.00	11,156.46	12,666.88	12,679.46	12,692.04	12,692.04	12,814.25	13,453.74	13,453.74	13,471.37	-	115,079.98	41,207.02	73.6%
400151 P-ROLL BEN/PERS-Misc (UAL)	286,056.00	286,056.00	19,865.10	23,838.12	23,838.12	23,838.12	23,838.12	23,838.12	23,838.12	23,838.12	23,838.12	-	210,570.06	75,485.94	73.6%
TOTAL FRINGE BENEFITS	872,288.00	872,288.00	61,188.73	70,711.25	70,952.69	70,562.88	70,612.57	71,192.34	74,438.23	72,235.72	72,298.62	-	634,193.03	238,094.97	72.7%
400201 PROF SVCS/Professional Svcs	143,455.00	146,455.00	-	260.16	813.00	732.57	522.57	1,171.12	1,063.65	681.99	681.51	14,623.43	5,926.57	125,905.00	14.0%
400206 PROF SVCS/Legal Serv Cost	210,000.00	210,000.00	12,500.00	10,416.00	(2,084.00)	10,416.00	16,666.00	16,666.00	22,916.00	10,416.00	22,916.00	66,672.00	120,828.00	22,500.00	89.3%
400245 TRAVEL & TRNG/Tuition Rmb/Cer	800.00	800.00	-	-	-	-	-	935.00	-	-	-	-	935.00	(135.00)	116.9%
400261 DUES & PUB/Memberships & Dues	1,650.00	1,650.00	-	-	-	-	-	-	985.75	-	-	-	985.75	664.25	59.7%
400271 AD & PROMO/Advertising&Promo	800.00	800.00	-	-	649.00	-	-	-	-	-	-	-	649.00	151.00	81.1%
400280 ADM EXP/Program Supplies	5,380.00	5,380.00	-	96.01	98.03	543.98	-	884.78	442.39	-	442.39	-	2,507.58	2,872.42	46.6%
TOTAL PROF & ADMIN SERVICES	362,085.00	365,085.00	12,500.00	10,772.17	(1,172.97)	12,341.55	17,188.57	19,656.90	25,407.79	11,097.99	24,039.90	81,295.43	131,831.90	151,957.67	58.4%
400231 OFF EXP/Postage & Mailing	17,300.00	17,300.00	137.37	-	-	3,272.45	599.65	391.35	234.78	42.12	-	-	4,677.72	12,622.28	27.0%
400232 OFF EXP/Printing & Binding	24,404.00	24,104.00	-	-	-	1,352.24	-	150.57	6.63	-	20.40	-	1,529.84	22,574.16	6.3%
400233 OFF EXP/Copying & Duplicating	500.00	500.00	-	-	-	-	-	-	-	-	-	-	-	500.00	0.0%
400304 RENTAL EXP/Equipment Rental	9,000.00	9,000.00	-	-	186.58	594.66	186.58	186.58	695.95	-	186.58	3,263.31	2,036.93	3,699.76	58.9%
400321 MISC EXP/Misc Contrib	2,000.00	2,000.00	-	-	-	-	-	-	-	-	-	-	-	2,000.00	0.0%
400322 MISC EXP/Misc Exp	2,000.00	2,000.00	-	-	-	-	-	-	-	-	-	-	-	2,000.00	0.0%
400341 OFF SUPP/Office Supplies	5,000.00	5,000.00	-	460.95	(316.61)	359.09	-	177.01	123.28	-	466.90	-	1,270.62	3,729.38	25.4%
TOTAL OTHER OPERATING	60,204.00	59,904.00	137.37	460.95	(130.03)	5,578.44	786.23	905.51	1,060.64	42.12	673.88	3,263.31	9,515.11	47,125.58	21.3%
400401 UTILITIES/Tel & Telegraph	500.00	500.00	-	-	-	-	-	-	-	-	-	-	-	500.00	0.0%
TOTAL UTILITIES	500.00	500.00	-	-	-	-	-	-	-	-	-	-	-	500.00	0.0%
400538 CONTRACT SVCS/Oth Cntrc	-	300.00	-	-	-	28.11	-	28.11	-	-	28.11	180.67	84.33	35.00	88.3%
400552 PROV FR INS LOSS/Ins Gen Liab	9,300.00	9,300.00	-	-	8,077.00	-	-	-	1,094.00	-	-	64.00	9,171.00	65.00	99.3%
TOTAL PROVISION FOR INS LOSS	9,300.00	9,300.00	-	-	8,077.00	-	-	-	1,094.00	-	-	64.00	9,171.00	65.00	99.3%
400574 COST POOL/(ISF)-Gen Liability	83,934.00	83,934.00	-	-	-	27,974.00	6,995.00	6,995.00	6,995.00	6,995.00	6,995.00	-	62,949.00	20,985.00	75.0%
400586 COST POOL/(CAP)- Admin Charges	52,481.00	52,481.00	-	-	-	17,492.00	4,377.00	4,372.00	4,372.00	4,377.00	4,372.00	-	39,362.00	13,119.00	75.0%
400591 COST POOL/(IND)-Civic Ctr Alloc	48,217.00	48,217.00	-	-	-	16,073.00	4,018.00	4,018.00	4,018.00	4,018.00	4,018.00	-	36,163.00	12,054.00	75.0%
TOTAL COST POOL	184,632.00	184,632.00	-	-	-										

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: April 19, 2023

Final Decision Date Deadline: April 19, 2023

STATEMENT OF THE ISSUE: As part of the Fiscal Year 2021-22 budget development process, management staff consulted with Kevin Harper, CPA, to implement a series of budgetary best practices for the Rent Program and Rent Board. As Kevin Harper advised in his March 12, 2020, memorandum, "a key element of an effective budget process is monitoring actual results against the budget throughout the year. This is done on a quarterly basis to allow management time to make adjustments if necessary to expenditures, policies or operations." In accordance with Kevin Harper's advice, staff members have prepared the report for the third quarter ending March 31, 2023, for the Board's receipt.

INDICATE APPROPRIATE BODY

- | | | | | |
|---|---|--|--|---|
| <input type="checkbox"/> City Council | <input type="checkbox"/> Redevelopment Agency | <input type="checkbox"/> Housing Authority | <input type="checkbox"/> Surplus Property Authority | <input type="checkbox"/> Joint Powers Financing Authority |
| <input type="checkbox"/> Finance Standing Committee | <input type="checkbox"/> Public Safety Public Services Standing Committee | <input type="checkbox"/> Local Reuse Authority | <input checked="" type="checkbox"/> Other: <u>Rent Board</u> | |

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|---|--|--|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Regulation | <input checked="" type="checkbox"/> Other: <u>CONSENT CALENDAR</u> |
| <input type="checkbox"/> Contract/Agreement | <input type="checkbox"/> Rent Board As Whole | |
| <input type="checkbox"/> Grant Application/Acceptance | <input type="checkbox"/> Claims Filed Against City of Richmond | |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Video/PowerPoint Presentation (contact KCRT @ 620.6759) | |

RECOMMENDED ACTION: RECEIVE the Budgeted versus Actual Revenue and Expenditures Report for the third quarter ending March 31, 2023 – Rent Program (Fred Tran 620-6537).

AGENDA ITEM NO:

F-4.

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**RICHMOND RENT PROGRAM
BUDGET VS ACTUAL REPORT - REVENUES AND EXPENDITURES
QUARTER ENDED MARCH 31, 2023**

	QUARTER ENDED 3/31/2023			YEAR-TO-DATE 3/31/2023			VARIANCE EXPLANATION (a)
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	
REVENUES							
Fees (includes revenue from collections agency)	\$ (153,134)	\$ (340,450)	\$ (187,316)	\$ (2,909,553)	\$ (2,430,492)	\$ 479,061	Collection efforts to increase compliance level towards goal of 90% for the year
Other Income	(11,000)	(20,247)	(9,247)	(33,000)	(65,664)	(32,664)	Grant received to assist with Rent Assistance and increase in collections
TOTAL REVENUES	(164,134)	(360,698)	(196,563)	(2,942,553)	(2,496,156)	446,397	
EXPENDITURES							
Salaries & Wages							
SALARIES & WAGES/Executive	179,975	183,676	(3,701)	539,926	533,534	6,391	
SALARIES & WAGES/Mgmt.-Local 21	78,425	82,918	(4,493)	235,276	223,993	11,283	
SALARIES & WAGES/Local 1021	50,107	51,634	(1,527)	150,320	149,718	602	
SALARIES & WAGES/P.T- Temp	-	5,038	(5,038)	-	14,883	(14,883)	Adopted Budget line item amount has not been inputted by Finance Department
OVERTIME/General	-	12	(12)	-	701	(701)	Adopted Budget line item amount has not been inputted by Finance Department
OTHER PAY/Bilingual Pay	2,086	2,749	(663)	6,257	7,542	(1,285)	
OTHER PAY/Auto Allowance	1,050	1,050	-	3,150	3,150	-	
OTHER PAY/Medical- in Lieu of	-	-	-	-	-	-	
OTHER PAY/Bonuses	-	-	-	-	-	-	
Subtotal Salaries & Wages	311,643	327,076	(15,434)	934,928	933,521	1,407	
Benefits							
P-ROLL BEN/Medicare Tax-ER Shr	4,552	4,788	(236)	13,655	13,624	32	
P-ROLL BEN/Health Insurance Benefit	58,073	62,332	(4,259)	174,218	176,507	(2,288)	
P-ROLL BEN/Dental Insurance	4,380	4,162	218	13,140	12,462	678	
P-ROLL BEN/Employee Assistance	54	55	(1)	162	162	(0)	
P-ROLL BEN/Professional Dev-Mg	1,688	-	1,688	5,063	1,000	4,063	To date, Staff has utilized less professional development
P-ROLL BEN/Vision	513	499	14	1,539	1,485	54	
P-ROLL BEN/Life Insurance	1,035	983	52	3,104	2,902	203	
P-ROLL BEN/Long Term Disability	3,086	1,674	1,411	9,257	4,771	4,486	Less LTD Insurance paid due to date
P-ROLL BEN/Unemployment Ins	1,368	1,520	(152)	4,104	4,484	(380)	
P-ROLL BEN/Personal/Prof Dev	563	2,039	(1,476)	1,688	2,250	(563)	To date, Staff has utilized less professional development
P-ROLL BEN/Worker Comp-Clerical	4,424	3,569	855	13,273	10,488	2,785	
P-ROLL BEN/Worker Comp-Prof	17,572	18,128	(557)	52,715	51,512	1,203	
P-ROLL BEN/OPEB	10,181	7,265	2,916	30,542	26,703	3,840	
P-ROLL BEN/PARS Benefits	-	66	(66)	-	194	(194)	PARS charge was not originally budgeted
P-ROLL BEN/PERS-Misc.	39,072	40,379	(1,307)	117,215	115,080	2,135	
P-ROLL BEN/PERS-Misc. (UAL)	71,514	71,514	(0)	214,542	210,570	3,972	
Subtotal Benefits	218,072	218,973	(901)	654,216	634,193	20,023	
Professional & Administrative Services							
PROF SVCS/Professional Svcs	36,614	2,427	34,187	109,841	5,927	103,915	Finance Department needs to approve budgeted system upgrade
PROF SVCS/Legal Serv Cost	52,500	56,248	(3,748)	157,500	120,828	36,672	Legal services invoice have been encumbered and will be paid later
Travel & Trng/Tuition Rmb/Cert	200	-	200	600	935	(335)	Staff has utilized training for mediations seminar
Travel & Trng/Registration Fee	413	986	(573)	1,238	986	252	To date, Staff has not utilized training reimbursements
Ad & Promo/Advertising & Promo Materials	200	-	200	600	649	(49)	
Adm Exp/Program Supplies	1,345	885	460	4,035	2,508	1,527	Less supplies used due to less staff on site
Subtotal Professional, Travel, & Admin Services	91,271	60,546	30,726	273,814	131,832	141,982	
Other Operating Expenditures							
OFF EXP/Postage & Mailing	4,325	277	4,048	12,975	4,678	8,297	Mailing project delayed due to the Pandemic
OFF EXP/Printing & Binding	6,026	27	5,999	18,078	1,530	16,548	Mailing project delayed due to the Pandemic
OFF EXP/Copying & Duplicating	125	-	125	375	-	375	Mailing project delayed due to the Pandemic
RENTAL EXP/Equipment Rental	2,250	883	1,367	6,750	2,037	4,713	Mailing project delayed due to the Pandemic
MISC EXP/Misc. Contrib	500	-	500	1,500	-	1,500	To date, expenditures for line item have not been utilized in Q1, Q2, and Q3
MISC EXP/Misc. Exp	500	-	500	1,500	-	1,500	To date, expenditures for line item have not been utilized in Q1, Q2, and Q3
OFF SUPP/Office Supplies	1,250	590	660	3,750	1,271	2,479	To date, expenditures for line item have not been utilized in Q1, Q2, and Q3
UTILITIES/Tel & Telegraph	125	-	125	375	-	375	To date, expenditures for line item have not been utilized in Q1, Q2, and Q3
CONTRACT SVCS/Oth Cntrc	75	28	47	225	84	141	To date, expenditures for line item have not been utilized in Q1, Q2, and Q3
PROV FR INS LOSS/Ins Gen Liab	2,325	1,094	1,231	6,975	9,171	(2,196)	Annual invoice for General Insurance expenditure paid in September for full year
COST POOL/(ISF)-Gen Liability	20,984	20,985	(2)	62,951	62,949	2	
COST POOL/(CAP)- Admin Charges	13,120	13,121	(1)	39,361	39,362	(1)	
COST POOL/(IND)Civic Ctr Alloc	12,054	12,054	0	36,163	36,163	(0)	
Subtotal Other Operating Expenditures	63,659	49,059	14,600	190,977	157,244	33,733	
TOTAL EXPENDITURES	684,645	655,653	28,992	2,053,935	1,856,791	197,144	
EXCESS OF (REVENUES) OVER EXPENDITURES	\$ 520,511	\$ 294,956	\$ 225,555	\$ (888,618)	\$ (639,365)	\$ (249,252)	Collection efforts to increase compliance level towards goal of 90% for the year

(a) Variance explanations are provided where the actual expenditures varies from the budgeted amount by twenty five percent or more.

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: April 19, 2023

Final Decision Date Deadline: April 19, 2023

STATEMENT OF THE ISSUE: At the November 17, 2021, Regular Meeting of the Richmond Rent Board, the Board adopted Regulation 425, titled, "Waiver of Delinquent Residential Housing Fee Assessment. As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation, for the month of April 2023, are the compiled late fee waiver requests and associated documentation.

INDICATE APPROPRIATE BODY

- | | | | | |
|---|---|--|--|---|
| <input type="checkbox"/> City Council | <input type="checkbox"/> Redevelopment Agency | <input type="checkbox"/> Housing Authority | <input type="checkbox"/> Surplus Property Authority | <input type="checkbox"/> Joint Powers Financing Authority |
| <input type="checkbox"/> Finance Standing Committee | <input type="checkbox"/> Public Safety Public Services Standing Committee | <input type="checkbox"/> Local Reuse Authority | <input checked="" type="checkbox"/> Other: <u>Rent Board</u> | |

ITEM

- | | | |
|---|--|--|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Regulation | <input checked="" type="checkbox"/> Other: <u>CONSENT CALENDAR</u> |
| <input type="checkbox"/> Contract/Agreement | <input type="checkbox"/> Rent Board As Whole | |
| <input type="checkbox"/> Grant Application/Acceptance | <input type="checkbox"/> Claims Filed Against City of Richmond | |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Video/PowerPoint Presentation (contact KCRT @ 620.6759) | |

RECOMMENDED ACTION: APPROVE late fee waiver(s) for April 2023 pursuant to Regulation 425 - Rent Program (Fred Tran/510-620-6537).

AGENDA ITEM NO:

F-5.

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Late Fee Waiver Summary – April 2023 Regular Board Meeting

Property Street	Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
1 527 18th Street	Darren Chappell	December 5, 2022	Wrong Mailing Address	Full waiver of late fees	\$63.50	\$63.50	None
2 508-512 Civic Center Street	Paula Saylor	December 22, 2022	Invoice Not Received	Full waiver of late fees	\$339.00	\$339.00	None
3 301-303 S 15th Street	Mehrnegar Lotfi	October 12, 2022	New Owner, did not receive invoice	Full waiver of late fees	\$500.00	\$500.00	None
4 418 3rd Street	Paul Stewart	November 10, 2022	New Owner, did not receive invoice	Full waiver of late fees	\$589.75	\$589.75	None
5 4312 and 4610 Potrero Avenue	DT Venture LP, Nicole Hernandez	October 18, 2022	Invoice Not Received	Full waiver of late fees	\$2,635.25	\$2,635.25	None
6 750 Carlson Ave. & 685 Berk Ave.	Monterey Venture LP, Nicole Hernandez	October 18, 2022	Invoice Not Received	Full waiver of late fees	\$10,191.75	\$10,191.75	None

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation – 527 18th Street

Date: April 19, 2023

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for April 2023:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Darren Chappell	December 5, 2022	Wrong Address	Full waiver of late fees	\$63.50	\$63.50	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of "Good Cause"

In the request dated December 5, 2022, (Attachment 1) Darren Chappell the property owner at 527 18th Street indicated that they did not receive an invoice due to a "Wrong Address". Darren Chappell paid the fees on December 5, 2022, when they were informed of the balance due.

Rent Program staff confirmed Darren Chappell met the requirements and enrolled the rental property in February 2019. Rent Program staff confirmed Darren Chappell paid the FY2021-2023 base Residential Rental Housing Fees on December 5, 2022.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 425 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Darren Chappell had not paid timely during the last (3) three fiscal years due to the incorrect mailing address was in the City-wide system.

Evaluation of Owner's Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord's control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor's Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant's ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff confirmed Darren Chappell paid the base Residential Rental Housing Fees for Fiscal Years 2021-2023 on December 5, 2022.

Rent Program staff verified with Contra Costa County records that 527 18th Street is designated as a Residential Single-Family Home built in 1924.

Darren Chappell has demonstrated a Good Cause that warrants a waiver of late fees with a timely payment when the invoice was received. The invoices were never delivered to Darren Chappell per the Late Fee Waiver form submitted. Staff confirmed the mailing address in the system was the rental property address, not the owner's

mailing address. Once Darren Chappell received the invoices, the outstanding balance was paid immediately.

Staff Recommendation

Darren Chappell has demonstrated good faith efforts to come into compliance by contacting the Rent Program to inquire about the missing invoice, paying the Rental Housing Fees when the invoice was received, and completing a Property Enrollment form. Considering these factors, staff recommend that a full waiver of late fees in the amount of \$63.50 be granted.

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Request to Remove Late Fees

Property Owner Name: Darren Chappell

FRJC #: [REDACTED]

Property Owner Phone Number or Email: [REDACTED]

The Property Owner has requested the removal of late fees on their account totaling \$ _____ for the following reason:

- New Owner, did not receive invoice
- Wrong Mailing Address
- Owner believed property was exempt from the Rent Ordinance
- Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlords actions, bankruptcies and disputes over ownership of the property.
- Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- A previously enrolled property was not billed as a result of staff error.
- An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)
- Other: _____

RECEIVED

DEC 05 2022

Initial: DC

Declaration & Signature:

I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager: Darren Chappell Date: 12 / 5 / 22

Printed Name: Darren Chappell

Rent Program Staff Use Only:

This request has been conditionally granted by the Rent Board, provided the owner pays the Rental Housing Fee before _____.

Executive Director Signature: _____

Staff Initials: _____

Date: ____/____/____

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation – 500-512 Civic Center Street

Date: April 19, 2023

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for April 2023:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Paula Saylor	December 22, 2022	Never Received Invoice	Full waiver of late fees	\$339.00	\$339.00	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of "Good Cause"

In the request dated December 22, 2022, (Attachment 1) Paula Saylor the property owner at 500-512 Civic Center Street indicated that she did not receive an invoice. Paula Saylor paid the fees on January 5, 2023, when she was informed of the balance due.

Rent Program staff confirmed Paula Sayler met the requirements of enrolling the properties on January 2019. Rent Program staff confirmed Paula Sayler paid the FY2022-2023 base Residential Rental Housing Fees on January 5, 2023.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 425 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Paula Sayler had paid timely during the last (5) five fiscal years.

Evaluation of Owner's Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord's control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor's Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant's ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff confirmed Paula Sayler paid the base Residential Rental Housing Fees for Fiscal Years 2022-2023 on January 5, 2023.

Rent Program staff verified with Contra Costa County records that 500-512 Civic Center Street is designated as a Residential Multiple Family built in 1945.

Paula Sayler has demonstrated a Good Cause that warrants a waiver of late fees with a timely payment when the invoice was received. The invoice was never received by Paula Sayler per the Late Fee Waiver form submitted. Once Paula Sayler received the invoice, the balance was paid immediately.

Staff Recommendation

Paula Saylor has demonstrated good faith efforts to come into compliance by contacting the Rent Program to inquire about the invoice, paying the Rental Housing Fees when the invoice was received, and completing a Property Enrollment form. Considering these factors, staff recommend that a full waiver of late fees, in the amount of \$339.00 be granted.

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Request to Remove Late Fees

Property Owner Name: Paula Saylor

FRJC #: R [REDACTED]

Property Owner Phone Number or Email: [REDACTED]

The Property Owner has requested the removal of late fees on their account totaling \$ 339.00 for the following reason:

- New Owner, did not receive invoice
- Wrong Mailing Address
- Owner believed property was exempt from the Rent Ordinance
- Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlords actions, bankruptcies and disputes over ownership of the property.
- Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- A previously enrolled property was not billed as a result of staff error.
- An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)
- Other: Invoice was not received. In December emailed and called Rent Program to inquire about invoice and learned that it had been sent in August. As soon as I learned this I paid base amount of annual fee which should be received directly from Mechanics Bank around the date 12/29/22.

Declaration & Signature:

I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager: Paula Saylor Date: 12 / 22 / 2022

Printed Name: Paula Saylor

Rent Program Staff Use Only:

This request has been conditionally granted by the Rent Board, provided the owner pays the Rental Housing Fee before _____.

Executive Director Signature: _____ Staff Initials: _____

Date: ____ / ____ / ____

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation – 301-303 S 15TH Street

Date: April 19, 2023

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for April 2023:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Mehrnegar Lotfi	October 12, 2022	New Owner, did not receive invoice	Full waiver of late fees	\$500.00	\$500.00	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of "Good Cause"

In the request dated October 12, 2022, (Attachment 1) Mehrnegar Lotfi the property owner at 301-303 S 15TH Street indicated that they are the new owner of the property

and did not know there were outstanding past fees. Mehrnegar Lotfi paid the fees on January 3, 2023, when they were informed by Rent Program staff that a balance was due. Rent Program staff confirmed Mehrnegar Lotfi met the requirements of enrolling the property on October 28, 2022. Rent Program staff confirmed Mehrnegar Lotfi paid the FY2022-2023 base Residential Rental Housing Fees on January 3, 2023.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 425 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Mehrnegar Lotfi did not receive any prior invoices and has owned the property for less than two (2) full fiscal years.

Evaluation of Owner's Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord's control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor's Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant's ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff confirmed Mehrnegar Lotfi paid the base Residential Rental Housing Fees for Fiscal Years 2021-2023 on January 3, 2023.

Rent Program staff verified with Contra Costa County records that 301-303 S 15TH Street is designated as a Residential Multiple Family built in 1950.

Mehrnegar Lotfi has demonstrated Good Cause that warrants a waiver of late fees with a timely payment when they realize the invoice was still due. Program staff verified the

address was the incorrect mailing address. Mehrnegar Lotfi paid the invoice once informed of the outstanding balance.

Staff Recommendation

Mehrnegar Lotfi has demonstrated good faith efforts to come into compliance by contacting the Rent Program to inquire about the invoice, paying the Rental Housing Fees when the invoice was received, and completing a Property Enrollment form. Considering these factors, staff recommends that a full waiver of late fees, in the amount of \$500.00 be granted.

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Request to Remove Late Fees

Property Owner Name: Mehrnegar Lotfi

FRJC #: _____

Property Owner Phone Number or Email: _____

The Property Owner has requested the removal of late fees on their account totaling \$ 500 for the following reason:

- New Owner, did not receive invoice
- Wrong Mailing Address
- Owner believed property was exempt from the Rent Ordinance
- Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlords actions, bankruptcies and disputes over ownership of the property.
- Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- A previously enrolled property was not billed as a result of staff error.
- An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)
- Other: _____

Declaration & Signature:

I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager: [Signature] Date: 10/21/2022

Printed Name: Mehrnegar Lotfi

Rent Program Staff Use Only:

This request has been conditionally granted by the Rent Board, provided the owner pays the Rental Housing Fee before _____

Executive Director Signature: _____ Staff Initials: _____

Date: ____/____/____

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation – 418 3rd Street

Date: April 19, 2023

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for April 2023:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Paul Stewart	November 10, 2022	New Owner, did not receive invoice	Full waiver of late fees	\$589.75	\$589.75	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of "Good Cause"

In the request dated November 10, 2022, (Attachment 1) Paul Stewart the property owner at 418 3rd Street indicated that he is the new owner of the property and did not know

there were outstanding past fees, he's a new owner and no invoice was received. He stated that he inherited the rental property from his father and the ownership of the property has been transferred to him in late 2022. Paul Stewart paid the fees on November 14, 2022, when informed by Rent Program staff that a balance was due. Rent Program staff confirmed Paul Stewart met the requirements of enrolling and registering the property in November 2022. Rent Program staff confirmed Paul Stewart paid the FY2021-2023 base Residential Rental Housing Fees on November 14, 2022.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 425 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Paul Stewart did not receive any prior invoices and has owned the property for less than one (1) full fiscal year.

Evaluation of Owner's Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord's control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor's Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant's ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff confirmed Paul Stewart paid the base Residential Rental Housing Fees for Fiscal Years 2021-2023 on November 14, 2022.

Rent Program staff verified with Contra Costa County records that 418 3rd Street is designated as a Residential Multiple Family Fourplex built in 1965.

Paul Stewart has demonstrated Good Cause that warrants a waiver of late fees with a timely payment when they realize the invoice was still due. Program staff verified the address was the incorrect mailing address. Paul Stewart paid the invoice once informed of the outstanding balance.

Staff Recommendation

Paul Stewart has demonstrated good faith efforts to come into compliance by contacting the Rent Program to inquire about the invoice, paying the Rental Housing Fees when the invoice was received, registering, and completing a Property Enrollment form. Considering these factors, staff recommend that a full waiver of late fees, in the amount of \$589.75 be granted.

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Request to Remove Late Fees

Property Owner Name: PAUL STEWART

FRJC #: [REDACTED]

Property Owner Phone Number or Email: [REDACTED]

The Property Owner has requested the removal of late fees on their account totaling \$ 589.75
for the following reason:

- New Owner, did not receive invoice
- Wrong Mailing Address
- Owner believed property was exempt from the Rent Ordinance
- Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlords actions, bankruptcies and disputes over ownership of the property.
- Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- A previously enrolled property was not billed as a result of staff error.
- An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)
- Other: _____

Declaration & Signature:

I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager: Paul Stewart Date: 11, 10, 2022

Printed Name: Paul Stewart

Rent Program Staff Use Only:

This request has been conditionally granted by the Rent Board, provided the owner pays the Rental Housing Fee before _____.

Executive Director Signature: _____ Staff Initials: _____

Date: ____/____/____

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation – 4312 and 4610 Potrero Avenue

Date: April 19, 2023

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for April 2023:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
DT Venture LP, Nicole Hernandez	October 18, 2022	Did not receive invoice	Full waiver of late fees	\$2,635.25	\$2,635.25	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of "Good Cause"

In the request dated October 18, 2022, (Attachment 1) Nicole Hernandez from DT Venture LP, the property manager and owner of 4312 and 4610 Potrero Avenue indicated

that she did not receive an invoice for the properties. She contacted the Rent Program to request an invoice and pay the outstanding balance. She paid the fees on October 19, 2022, when informed by Rent Program staff of the balance due.

Rent Program staff confirmed DT Venture LP met the requirements of enrolling the properties in July 2020. Rent Program staff confirmed DT Venture LP paid the FY2022-2023 base Residential Rental Housing Fees on October 19, 2022.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 425 (D) and (E), provide the factors required when making a determining of good cause.

In this case, DT Venture LP has made timely payments in the prior two (2) fiscal years.

Evaluation of Owner's Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord's control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor's Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant's ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff confirmed DT Venture LP paid the base Residential Rental Housing Fees for Fiscal Years 2022-2023 on October 19, 2022.

Rent Program staff verified with Contra Costa County records that 4312 and 4610 Potrero Avenue are designated as a Residential Multiple Family built in 1971 and 1973.

DT Venture LP has demonstrated Good Cause that warrants a waiver of late fees with a timely payment when the invoice was received upon request. DT Venture LP paid the invoice once informed of the outstanding balance.

Staff Recommendation

DT Venture LP has demonstrated good faith efforts to come into compliance by contacting the Rent Program to inquire about the invoice, paying the Rental Housing Fees when the invoice was received, and completing a Property Enrollment form. Considering these factors, staff recommend that a full waiver of late fees, in the amount of \$2,635.25 be granted.

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Request to Remove Late Fees

Property Owner Name: DT Venture LP

FRJC #: [REDACTED]

Property Owner Phone Number or Email: [REDACTED]

The Property Owner has requested the removal of late fees on their account totaling \$ 2,635.25 for the following reason:

- New Owner, did not receive invoice
- Wrong Mailing Address
- Owner believed property was exempt from the Rent Ordinance
- Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlords actions, bankruptcies and disputes over ownership of the property.
- Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- A previously enrolled property was not billed as a result of staff error.
- An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)
- Other: Agent reached out to Rent Program in July and August by phone and email requesting invoices and did not receive any communication back. Please see attached email requesting invoices.

Declaration & Signature:

I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager: [Signature] Date: 10 / 18 / 2022

Printed Name: Nicole Hernandez

Rent Program Staff Use Only:

This request has been conditionally granted by the Rent Board, provided the owner pays the Rental Housing Fee before 10/24/22.

Executive Director Signature: _____

Staff Initials: RH

Date: 10 / 20 / 2022

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation – 750 Carlson Avenue and 685 Berk Avenue

Date: April 19, 2023

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for April 2023:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Monterey Venture LP, Nicole Hernandez	October 18, 2022	Did not receive invoice	Full waiver of late fees	\$10,191.75	\$10,191.75	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of "Good Cause"

In the request dated October 18, 2022, (Attachment 1) Nicole Hernandez from Monterey Venture LP, the property manager and owner of 750 Carlson Avenue and 685 Berk

Avenue indicated that she did not receive an invoice for the properties. She contacted the Rent Program to request an invoice and pay the outstanding balance. She paid the fees on October 19, 2022, when informed by Rent Program staff of the balance due. Rent Program staff confirmed Monterey Venture LP met the requirements of enrolling the properties in July 2020. Rent Program staff confirmed Monterey Venture LP paid the FY2022-2023 base Residential Rental Housing Fees on October 19, 2022.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 425 (D) and (E), provide the factors required when making a determining of good cause.

In this case, Monterey Venture LP has made timely payments in the prior two (2) fiscal years.

Evaluation of Owner's Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord's control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor's Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant's ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff confirmed Monterey Venture LP paid the base Residential Rental Housing Fees for Fiscal Years 2022-2023 on October 19, 2022.

Rent Program staff verified with Contra Costa County records that 750 Carlson Avenue and 685 Berk Avenue are designated as a Residential Multiple Family built in 1970.

Monterey Venture LP has demonstrated Good Cause that warrants a waiver of late fees with a timely payment when the invoice was received upon request. Monterey Venture LP paid the invoice once informed of the outstanding balance.

Staff Recommendation

Monterey Venture LP has demonstrated good faith efforts to come into compliance by contacting the Rent Program to inquire about the invoice, paying the Rental Housing Fees when the invoice was received, and completing a Property Enrollment form. Considering these factors, staff recommend that a full waiver of late fees, in the amount of \$10,191.75 be granted.

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: April 19, 2023

Final Decision Date Deadline: April 19, 2023

STATEMENT OF THE ISSUE: In accordance with Section 11.100.060(l) of the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, the amount of the Residential Rental Housing Fee will be determined by the City Council after a recommendation by the Board is provided to the City Council. Prior to July 1, the Board is required to hold a public hearing on a proposed budget and adopt an annual budget for the ensuing fiscal year. To that end, staff members have prepared a presentation overviewing the budget process and requirements for the Board's consideration and comment. The purpose of this item is to educate new Board members on the budget process and requirements and receive preliminary feedback from the Board prior to presenting a preliminary draft budget and prior to the scheduling of a public hearing for potential adoption of the Fiscal Year 2023-24 budget prior to the July 1 deadline.

INDICATE APPROPRIATE BODY

- | | | | | |
|---|---|--|--|---|
| <input type="checkbox"/> City Council | <input type="checkbox"/> Redevelopment Agency | <input type="checkbox"/> Housing Authority | <input type="checkbox"/> Surplus Property Authority | <input type="checkbox"/> Joint Powers Financing Authority |
| <input type="checkbox"/> Finance Standing Committee | <input type="checkbox"/> Public Safety Public Services Standing Committee | <input type="checkbox"/> Local Reuse Authority | <input checked="" type="checkbox"/> Other: <u>Rent Board</u> | |

ITEM

- Presentation/Proclamation/Commendation (3-Minute Time Limit)
- Public Hearing Regulation Other:
- Contract/Agreement Rent Board As Whole
- Grant Application/Acceptance Claims Filed Against City of Richmond
- Resolution Video/PowerPoint Presentation (contact KCRT @ 620.6759)

RECOMMENDED ACTION: RECEIVE a presentation regarding the Rent Program budget process and requirements for the Fiscal Year 2023-24 Rent Program operating Budget and corresponding Rental Housing Fee Study and discuss scheduling a Special meeting to review a preliminary proposed Rent Program Budget and corresponding Fee Study for the Fiscal Year 2023-24 Budget. (Nicolas Traylor/Fred Tran – 620-6564).

AGENDA ITEM NO:

G-1.

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AGENDA REPORT

DATE: April 19, 2023

TO: Members of the Rent Board

FROM: Nicolas Traylor, Executive Director
Fred Tran, Deputy Director

SUBJECT: DISCUSSION FISCAL YEAR 2023-24 BUDGET AND FEE STUDY

STATEMENT OF THE ISSUE:

In accordance with Section 11.100.060(l) of the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, the amount of the Residential Rental Housing Fee will be determined by the City Council after a recommendation by the Board is provided to the City Council. Prior to July 1, the Board is required to hold a public hearing on a proposed budget and adopt an annual budget for the ensuing fiscal year. To that end, staff members have prepared a presentation overviewing the budget process and requirements for the Board's consideration and comment. The purpose of this item is to educate new Board members on the budget process and requirements and receive preliminary feedback from the Board prior to presenting a preliminary draft budget and prior to the scheduling of a public hearing for potential adoption of the Fiscal Year 2023-24 budget prior to the July 1 deadline.

RECOMMENDED ACTION:

RECEIVE a presentation regarding the Rent Program budget process and requirements for the Fiscal Year 2023-24 Rent Program operating Budget and corresponding Rental Housing Fee Study and discuss scheduling a Special meeting to review a preliminary proposed Rent Program Budget and corresponding Fee Study for the Fiscal Year 2023-24 Budget. (Nicolas Traylor/Fred Tran – 620-6564).

FISCAL IMPACT:

There is no fiscal impact related to this item.

DISCUSSION:

Each fiscal year, Rent Program staff provide a presentation to the Rent Board on a proposed Budget and corresponding Fee Study for potential adoption. Prior to approving a final draft of the Fiscal Year 2023-24 Rent Program budget for potential adoption, Rent Program staff present a preliminary draft budget and seek the Board's feedback and

ITEM G-1

direction. Prior to presenting a preliminary draft budget and to assist new Board members with understanding the budget writ large, Staff have prepared a high-level presentation regarding the budget. Receiving a high-level presentation on the budget will help facilitate the Board's feedback and direction.

DOCUMENTS ATTACHED:

Attachment 1 – Fiscal Year 2022-23 Budget and Rental Housing Fee Study

ADOPTED FY 2022 - 2023 RENT PROGRAM BUDGET AND FEE STUDY													
FEE STUDY													
				# UNITS	Proposed Fee	Revenue			Program Fee		Just Cause Fee		Rent Control Fee
				7,665	\$226	\$1,729,668		2022-23	\$ 87.60		\$ 39.53		\$ 98.52
				10,485	\$127	\$1,333,019							
						\$3,062,687							
BUDGET													
Object #	City Account Description	FY 18-19 ACTUALS	FY 19-20 ACTUALS	FY 20-21 ACTUALS	FY 21-22 PROPOSED	FY 22-23 PROPOSED	Notes	Program Allocation (%)	Program Allocation (\$)	Just Cause Allocation (%)	Just Cause Allocation (\$)	Rent Control Allocation (%)	Rent Control Allocation (\$)
REVENUES													
340445	Fees/Admin Fees	2,189,703	2,681,689	2,764,961	2,893,854	3,062,687	(1)						
361701	Int & Invest/Pooled-All Other	367	11,537	6,096	14,460	14,000							
364867	Revenue from Collections	133	13,042	24,796	30,000	30,000							
	TOTAL REVENUES	2,190,203	2,706,268	2,795,854	2,938,314	3,106,687							
EXPENSES													
400001	Salaries & Wages/Executive	530,092	639,594	649,356	677,798	724,848	(2)	55%	398,666	20%	144,970	25%	181,212
400002	Salaries & Wages/Mgmt-Local 21	294,152	263,080	183,838	284,628	324,846	(2)	55%	178,665	20%	64,969	25%	81,212
400003	Salaries & Wages/Local 1021	128,866	150,317	168,422	169,860	202,332	(2)	55%	111,283	20%	40,466	25%	50,583
400006	Salaries & Wages/PT-Temp	49,557	45,905	32,244	43,036	35,776	(2)	55%	19,677	20%	7,155	25%	8,944
400031	Overtime/General	4,778	2,094	1,312	2,500	2,500		55%	1,375	20%	500	25%	625
400048	Other Pay/Bilingual Pay	6,993	9,064	9,719	11,377	11,172		55%	6,145	20%	2,234	25%	2,793
400049	Other Pay/Auto Allowance	4,200	4,200	4,200	4,200	4,200		55%	2,310	20%	840	25%	1,050
400050	Other Pay/Medical-In Lieu of	2,700	1,500	-	2,400	-		55%	-	20%	-	25%	-
400079	Comp Absences/WC-Prof-Mgt-Tec	1,486	5,328	-	-	-		55%	-	20%	-	25%	-
	Subtotal - Salaries & Wages	1,022,823	1,121,084	1,049,091	1,195,799	1,305,674			718,120		261,135		326,418
400103	P-Roll Ben/Medicare Tax-ER Shr	14,937	16,389	15,313	15,992	18,207	(3)	55%	10,014	20%	3,641	25%	4,552
400104	P-Roll Ben/PERS Benefits	-	-	-	-	-		55%	-	20%	-	25%	-
400105	P-Roll Ben/Health Insurance Be	146,557	136,575	128,611	140,309	232,291	(3)	55%	127,760	20%	46,458	25%	58,073
400106	P-Roll Ben/Dental Insurance	16,652	17,021	17,534	15,508	17,520	(3)	55%	9,636	20%	3,504	25%	4,380
400109	P-Roll Ben/Employee Assistance	430	473	422	464	216	(3)	55%	119	20%	43	25%	54
400110	P-Roll Ben/Professional Dev-Mg	3,728	5,200	1,500	3,750	6,750	(3)	55%	3,713	20%	1,350	25%	1,688
400111	P-Roll Ben/Vision	2,106	2,095	2,049	2,052	2,052	(3)	55%	1,129	20%	410	25%	513
400112	P-Roll Ben/Life Insurance	5,557	4,006	3,433	3,713	4,139	(3)	55%	2,276	20%	828	25%	1,035
400114	P-Roll Ben/Long Term Disabilit	9,408	10,100	9,259	10,076	12,342	(3)	55%	6,788	20%	2,468	25%	3,086
400116	P-Roll Ben/Unemployment Ins	1,860	5,100	4,960	5,730	5,472	(3)	55%	3,010	20%	1,094	25%	1,368
400117	P-Roll Ben/Personal/Prof Dev	750	1,493	1,500	5,250	2,250	(3)	55%	1,238	20%	450	25%	563
400118	P-Roll Ben/Worker Comp-Injury Appt	-	-	692	359	-	(3)	55%	-	20%	-	25%	-
400121	P-Roll Ben/Worker Comp-Clerica	13,806	12,154	14,541	19,240	24,001	(3)	55%	13,201	20%	4,800	25%	6,000
400122	P-Roll Ben/Worker Comp-Prof	69,352	60,744	74,891	79,290	-	(3)	55%	-	20%	-	25%	-
400127	P-Roll Ben/OPEB	39,338	43,623	42,145	22,763	40,723	(3)	55%	22,398	20%	8,145	25%	10,181
400130	P-Roll Ben/PARS Benefits	642	434	50	94	-	(3)	55%	-	20%	-	25%	-
400149	P-Roll Ben/Misc	123,021	140,616	139,314	151,638	156,287	(3)	55%	85,958	20%	31,257	25%	39,072
400151	P-Roll Ben/Misc (UAL)	162,985	235,683	271,234	271,391	287,268	(3)	55%	157,997	20%	57,454	25%	71,817
	Subtotal Fringe Benefits	611,127	691,706	727,447	747,618	809,518			445,235		161,904		202,380
400201	Prof Svcs/Professional Svcs	32,112	38,241	10,957	18,350	143,455	(4)	55%	78,900	20%	28,691	25%	35,864
400206	Prof Svcs/Legal Serv Cost	137,614	193,742	149,994	210,000	210,000	(5)	10%	21,000	70%	147,000	20%	42,000
400220	Prof Svcs/Info Tech Services	2,375	-	2,142	-	-		55%	-	20%	-	25%	-
400241	Travel & Trng/Meal Allowance	359	-	-	-	-		55%	-	20%	-	25%	-
400242	Travel & Trng/Mileage	1,284	17	-	-	-		55%	-	20%	-	25%	-
400243	Travel & Trng/Conf, Mtng Trng	280	-	-	-	-		55%	-	20%	-	25%	-
400245	Travel & Trng/Tuition Rmb/Cert	800	800	-	800	800	(6)	55%	440	20%	160	25%	200
400261	Dues & Pub/Memberships & Dues	824	1,590	1,453	1,650	1,650	(7)	55%	908	20%	330	25%	413
400263	Dues & Pub/Subscription	1,500	-	-	-	-		55%	-	20%	-	25%	-
400271	Ad & Promo/Advertising & Promo Materials	1,559	2,106	1,702	5,675	800	(8)	55%	440	20%	160	25%	200
400272	Ad & Promo/Community Events	1,563	1,722	-	-	-		55%	-	20%	-	25%	-
400280	Adm Exp/Program Supplies	5,292	1,600	3,432	3,950	5,380	(9)	55%	2,959	20%	1,076	25%	1,345
	Subtotal Prof & Admin Services	185,563	239,819	169,680	240,425	362,085			104,647		177,417		80,021
400231	Off Exp/Postage & Mailing	10,849	5,905	6,528	22,647	17,300	(10)	55%	9,515	20%	3,460	25%	4,325
400232	Off Exp/Printing & Binding	12,071	3,295	3,428	25,807	24,404	(11)	55%	13,422	20%	4,881	25%	6,101
400233	Off Exp/Copying & Duplicating	46	-	236	500	500		55%	275	20%	100	25%	125
400304	Rental Exp/Equipment Rental	8,721	4,532	2,488	8,000	9,000	(12)	55%	4,950	20%	1,800	25%	2,250
400321	Misc Exp/Misc Contrib	3,000	-	1,500	3,000	2,000	(13)	55%	1,100	20%	400	25%	500
400322	Misc Exp/Misc Exp	3,061	2,262	-	2,925	2,000		55%	1,100	20%	400	25%	500
400341	Off Supp/Office Supplies	8,721	6,024	1,891	6,795	5,000		55%	2,750	20%	1,000	25%	1,250
400344	Off Supp/Computer Supplies	18	783	-	-	-		55%	-	20%	-	25%	-
	Subtotal Other Operating	46,486	22,801	16,072	69,674	60,204			33,112		12,041		15,051
400401	Utilities/Tel & Telegraph	254	414	551	500	500		55%	275	20%	100	25%	125
400538	Contract Svcs/Other Contract Svcs	-	-	103	-	-		55%	-	20%	-	25%	-
400552	Prov Fr Ins Loss/Ins Gen Liab	8,029	8,765	9,047	9,300	9,300		55%	5,115	20%	1,860	25%	2,325
400574	Cost Pool/(ISF)-Gen Liab	55,701	75,144	69,513	79,937	-	(14)	55%	-	20%	-	25%	-
400586	Cost Pool/(CAP)-Admin Charges	51,454	51,454	51,454	52,481	-	(14)	55%	-	20%	-	25%	-
400591	Cost Pool/(IND)Civic Ctr Alloc	52,420	47,026	50,289	50,286	48,217		55%	26,519	20%	9,643	25%	12,054
400601	Noncap Asst/Comp Hrdware<5K	-	6,526	-	10,800	-		55%	-	20%	-	25%	-
400604	Noncap Asst/Furniture <5K	13,328	-	-	-	-		55%	-	20%	-	25%	-
	TOTAL EXPENSES	2,047,186	2,264,738	2,143,246	2,456,820	2,595,497			1,333,024		624,099		638,374
	OPERATING RESERVE	560,985	424,794	420,821	429,944	467,190	(15)	55%	256,954	20%	93,438	25%	116,797
	TOTAL BUDGET	2,804,925	2,923,584	2,896,242	2,886,764	3,062,687			1,589,978		717,537		755,172

Notes:

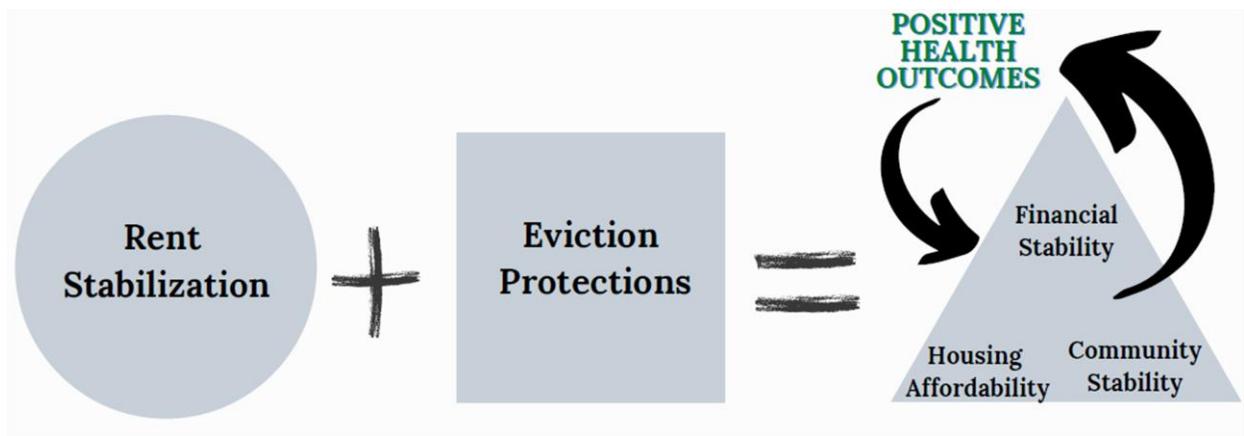
- (1) Assumes a Fiscal Year 2022-23 Rental Housing Fee of \$226 for Fully Covered unit and \$127 for Partially Covered units
- (2) See page 11 of the budget and fee study report for detailed salary and wage assumptions
- (3) The Rent Program is seeking the City to cap Total Fringe Benefits at 62% of Total Salaries and Wages.
- (4) Includes \$100,000 for cloud-based solution - IT charge, \$20,000 for consultants - Cost Pool and Fringe Benefits, \$2,205 TRAKIT annual fee, \$4,000 for a property information subscription, \$3,000 for a legal research subscription, \$8,000 for scheduled interpretation, \$6,000 for written translation, and \$250 for on-demand interpretation services.
- (5) Includes \$125,000 contract with the Eviction Defense Center to assist with Unlawful Detainer cases, \$75,000 for a contract with Bay Area Legal Aid for the weekly Housing Rights Clinics, and \$10,000 for legal filing fees in the event of litigation.
- (6) In accordance with City personnel policies, eligible employees may receive reimbursement of up to \$800 for higher education tuition.
- (7) Anticipated cost of Bar Association dues for three attorneys (\$550 per Attorney).
- (8) Budgeted amount includes funds to satisfy the requirement to publish notices in the newspaper for public hearings as part of the budget adoption process and social media promotions.
- (9) Budgeted amount includes the cost of email accounts for Rent Board Members, business cards, and videoconference/webinar accounts.
- (10) Budgeted amount reflects anticipated postage costs for Rental Housing Fee invoices, tenancy registration mailings, and the Guide to Rent Control.
- (11) Budgeted amount reflects anticipated printing costs for Rental Housing Fee invoices, tenancy registration mailings, and the Guide to Rent Control.
- (12) Lease of copy machines including a cost-per-copy amount. 36-month lease ends in 2022.
- (13) Stipends for UC Berkeley Public Service Center interns, ranging from \$1,000 - \$1,500 per intern.
- (14) Rent Program is working with the City to determine the proper methodology of Cost Pool allocation, new methodology is under review.
- (15) Budgeted reserve is equal to 18 percent of total operating expenses consistent with the Rent Board's proposed Reserve Policy.

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FY 2022-23 BUDGET & RENTAL HOUSING FEE STUDY

CITY OF RICHMOND RENT PROGRAM

ADOPTED: MAY 31, 2022



City of Richmond Rent Program
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I. RENT PROGRAM ORGANIZATION AND GOALS

Mission Statement

The mission of the Rent Program is to promote neighborhood and community stability, healthy housing, and affordability for Richmond Tenants through the regulating of those Landlord/Tenant matters that reasonably relate to rents and evictions, while maintaining a Landlord’s right to a fair return.

Proposed Fiscal Year 2022-23 Organizational Chart and Labor Summary

The Richmond Rent Program was established following the adoption of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (Rent Ordinance) by a majority of Richmond voters in 2016. In accordance with the Rent Ordinance, an Executive Director appointed by a five-member Rent Board comprised of Richmond residents leads the Rent Program.

The following figures illustrate how the proposed staffing plan for the upcoming year compares to prior years. Of particular note is the proposed addition of two new personnel classifications, including that of a General Counsel and a Senior Rent Program Services Analyst, as well as the consolidation of the Public Information and Billing and Registration Units into one combined Public Information and Enrollment Unit (PIE). The rationale for these proposed changes to the organizational chart is described in further detail below. Figure 1 contains the proposed organizational chart for the 2022-23 fiscal year, and Figures 2 and 3 provide a summary of full-time equivalents (FTEs) since Fiscal Year 2020-21.

Figure 1. FY 2022-23 Rent Program Organizational Chart

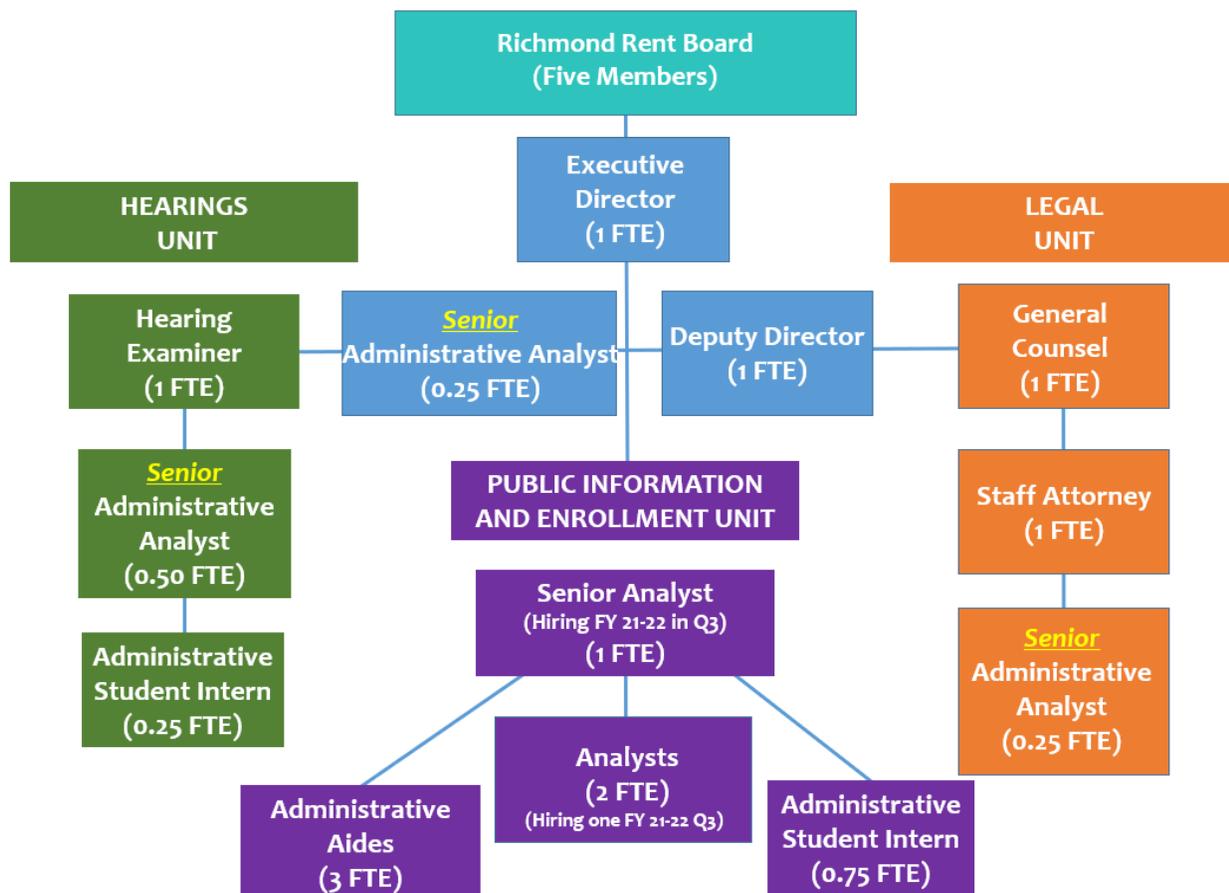


Figure 2. Proposed Fiscal Year 2022-23 Labor Summary

<u>Unit</u>	<u>Authorized Positions 2020/2021</u>	<u>Authorized Positions 2021/2022</u>	<u>Proposed Positions 2022/2023</u>	<u>Amount of Change 21/22 - 22/23</u>
Management	2.25	2.25	2.25	0
Legal	1.75	2.25	2.25	0
Public Information	4.6	N/A	N/A	N/A
Billing & Registration	2.9	N/A	N/A	N/A
Public Information & Enrollment	N/A	6.75	6.75	0
Hearings	1.5	1.75	1.75	0
TOTAL	13	13	13	0

Figure 3. Proposed Fiscal Year 2021-22 Permanent Staff by Classification

<u>Classification</u>	<u>Authorized Positions 2020/2021</u>	<u>Authorized Positions 2021/2022</u>	<u>Proposed Positions 2022/2023</u>	<u>Amount of Change 21/22 - 22/23</u>
Administrative Aide	3	3	3	0
Administrative Student Intern	1	1	1	0
Assistant Administrative Analyst	1	1	0	-1
Deputy Director	1	1	1	0
Executive Director	1	1	1	0
General Counsel	N/A	1	1	0
Hearing Examiner	1	1	1	0
Rent Program Services Analyst I/II	3	2	2	0
Senior Rent Program Services / Administrative Analyst	N/A	1	2	1
Staff Attorney	2	1	1	0
Total	13	13	13	0

Proposed Reclassification for a Senior Administrative Analyst

The proposed Fiscal Year 2022-23 budget includes a reclassification from an Assistant Administrative Analyst position to a Senior Administrative Analyst (1 FTE). The reclassification would require approval from both the Personnel Board and City Council. This role will assist with managing the Hearings Unit, provide administrative support to the Executive Director, and the Legal Unit. This role will receive direction from the Executive Director and oversees the petition process for the Hearings Unit. The Senior Administrative Analyst will also take direction from the General Counsel, Hearing Examiner, and Staff Attorney in a supportive capacity, but does not direct, the legal work of the agency. Furthermore, the position will manage and work closely with all phases of the Rent Board, including the coordination of meetings and communications with all Board Members and the public. This proposed change would not increase the overall number of full-time equivalents (FTEs) employed by the agency.

Consolidation of Public Information and Billing and Registration Units

The organizational chart for Fiscal Year 2021-22 includes a “Public Information and Enrollment Unit” that replaces the existing Public Information and Billing and Registration Units. This new organizational structure is anticipated to be advantageous to the agency for the following reasons:

- **Improved compliance with enrollment, registration, and fee payment requirements**
In their conversations with community members, Rent Program Services Analysts (housing counselors) frequently discover rental units that are not in compliance with

the Rent Program in terms of property enrollment, tenancy registration, and fee payment requirements. Coordination between housing counselors and staff who oversee enrollment, registration, and fee payment operations is important, and the new organizational structure will support closer communication and collaboration to ensure that there is follow up after a rental unit found to be noncompliant.

- **Greater efficiency in serving members of the public**
Distinct units can create unnecessary silos. The Rent Program is a relatively small agency and will be better equipped to face surges in demand or unforeseen circumstances if all Public Information and Enrollment Unit staff have a foundational understanding of both the Rent Ordinance and its requirements, as well as internal policies and procedures regarding property enrollment, tenancy registration, and payment of the Rental Housing Fee. Under the previous organizational structure, staff members in the Billing and Registration Unit would not typically assist with preparation for community workshops, and staff in the Public Information Unit may not have been familiar enough with Billing and Registration processes to fully assist community members with a billing issue. The new proposed structure would provide greater flexibility and redundancy among staff roles.

- **Promotes collaboration on large outreach projects**
With 6.75 FTE, the new consolidated Public Information and Enrollment Unit will be the largest unit in the agency and better able to manage completion of large projects, such as mailing the Guide to Rent Control, rent validation reports, and Rental Housing Fee invoices to thousands of Landlords and Tenants. Mass-mailing projects also present opportunities to share information that community members may not otherwise seek out; for example, mailing of Rental Housing Fee invoices to all Landlords is an opportunity to share information about other aspects of the Rent Ordinance.

Progress Towards the Achievement of Fiscal Year 2021-22 Goals

As part of the Fiscal Year 2022-23 Rent Program budget development process, staff members identified a series of goals that the proposed budget would support. As was the case for the greater City of Richmond and the nation as a whole, the Covid-19 pandemic forced a reconsideration of goals and objectives for the 2021-22 fiscal year. Table 1, on the following page, provides a status update on the goals established for the 2021-22 fiscal year and notes the impacts of the Covid-19 pandemic.

Table 1. Progress towards achievement of Fiscal Year 2021-22 Goals

Fiscal Year 2021-22 Goal	Progress Towards Achievement
Develop a training schedule for Rent Program Services Analysts (but accessible to all staff), to ensure housing counselors remain knowledgeable on the requirements of the Rent Ordinance and apprised of any changes to Rent Board Regulations and related State and Federal laws.	Nearly complete. Rent Program Services Analysts received regular and ongoing support and training from the managing Staff Attorney on the Rent Ordinance and related laws and regulations. Senior staff members provided specific trainings on new regulations and processes as needed. Rent Program Services Analysts provided weekly informational sessions to support staff in the Public Information Unit to keep them apprised of changes to the law and current topics of relevance. Rent Program Services Analysts also develops collateral to communicate updates to the community.
Continue to implement the mediation program to provide free formal and informal mediation services to Landlords and Tenants as a means of resolving disputes that have a reasonable nexus to the Rent Ordinance through the assistance of a trained mediator.	Nearly complete, but significantly impacted by the Covid-19 pandemic, work is ongoing. With mediation guidelines and administrative procedures in place, staff members continue to assess the bandwidth of the Public Information Unit to determine how many mediations may be scheduled per month. The Covid-19 pandemic delayed the process of filling vacancies in the Public Information Unit and eliminated the possibility of in-person mediations. The Executive and Deputy Directors facilitated mediations as necessary, but the mediation program has yet to be fully launched.
Continue to develop an online filing system for the submission of Property Enrollment and Tenancy Registration	Progress is ongoing. Online submission of forms and notices has yet to be fully launched; staff members anticipate systems will continue to be developed in the 2022-23 fiscal

**ITEM G-1
ATTACHMENT 1**

<p>forms, as well as the filing of rent increase and termination of tenancy notices on the City's e-TRAKIT website.</p>	<p>year. There is also consideration to upgrade to more a modern system that is suited for Rent Programs.</p>
<p>Publish and distribute the Guide to Rent Control in Richmond and one-page fact sheets on common topics such as Just Cause for Eviction, Owner Move-In evictions, the Ellis Act, and the Relocation Ordinance.</p>	<p>Nearly complete but significantly impacted by the Covid-19 pandemic. The Guide to Rent Control has been completed and is slated to be distributed to Landlords and Tenants concurrent with the mailing of Rent Validation Reports for Fully Covered Rental Units. Landlords and Tenants of partially-covered Rental Units are anticipated to receive the Guide to Rent Control as well, in the absence of a Rent Validation Report. Originally planned to be completed during the 2020-21 fiscal year, the distribution of such materials was significantly delayed by the transition to remote work necessitated by the Covid-19 pandemic. Staff members anticipate completion of this task during the 2021-22 and 2022-23 fiscal year as the severity of the pandemic decreases and restrictions lessen.</p> <p>One-page fact sheets pertaining to Just Cause for Eviction, Owner Move-In evictions, the Ellis Act, and the Relocation Ordinance have been drafted and are in the process of being displayed on the Rent Program website.</p>
<p>Fiscal Year 2021-22 Goal</p>	<p>Progress Towards Achievement</p>
<p>Develop and Execute a Comprehensive Outreach Plan that includes, but is not limited to, continuing to bolster our social media presence, producing informational, infographic, and/or testimonial videos to highlight aspects of the Rent Ordinance and services provided by the Rent Program and expanding outreach efforts to local businesses, schools, non-profits, neighborhood councils, and other community stakeholders.</p>	<p>Progress is ongoing but was significantly impacted by the Covid-19 pandemic. During the 2020-21 fiscal year, the Executive Director, in partnership with Public Information Unit staff members, spearheaded an outreach strategy to conduct site visits and make connections with local businesses, churches, and community centers. While the initiative gained momentum in the preceding fiscal year, progress was severely stunted in Fiscal Year 2021-22 due to the risks of in-person contact remained during the Covid-19 pandemic. Instead, outreach was primarily conducted through the agency's social media accounts, which proved to be an effective means of sharing information. Informational webinars were conducted, comprehensive fact sheets created, podcasts recorded, and instruction videos were produced to be posted to the Rent Program website.</p>
<p>Launch Tenancy Registration Outreach by beginning to mail out Notices of the Maximum Allowable Rent (MAR) (sent to Landlords and Tenants when Tenancy Registration Forms are submitted) and create a database accessible to the public where community members can research the MAR for a particular Rental Unit.</p>	<p>Progress is ongoing due to the limitations of remote work during the Covid-19 pandemic. Over three-fourths of all rent-controlled tenancies have been registered to date; however, thousands of forms still need to be entered into the database. Billing and Registration unit staff developed template forms and continue to work closely with the City's IT department staff to ensure notices can be automatically generated and mailed to Landlords and Tenants to educate them about the Maximum Allowable Rent for their specific unit. Originally planned to be completed during the 2020-21 fiscal year, generating, and mailing of such reports was significantly delayed by the transition to remote work necessitated by the Covid-19 pandemic. Staff members anticipate initiation of this task during the 2021-22 fiscal year as the severity of the pandemic decreases and restrictions lessen. Staff is also considering a new database to transition the registration online.</p>
<p>Continue to improve collection of the Rental Housing Fee (greater than 90% compliance) through investing in effective compliance and outreach projects to ensure that all Rental Units subject to the Rent Ordinance are assessed the Rental Housing Fee and all Landlords who should be paying the Rental Housing Fee receive an invoice and are made aware of their financial obligation to the Rent Program.</p>	<p>On Track to Complete and compliance is ongoing. Revenue is continuously being collected. Total Rental Housing Fee revenue is projected to approach 80% by the close of the fiscal year.</p>

<p>Continue to work collaboratively with other City Departments to improve rental housing inspection options, seismic safety policy, enforcement of the Relocation Ordinance, the Richmond Rapid Response Fund (R3F) Rent Assistance Program for Displacement and Homelessness Prevention, and the collection of other City fees, such as the Business License Tax, Fire Prevention Services Fee, and Rental Inspection Program fee.</p>	<p>Progress is ongoing. Rent Program staff continue to host monthly meetings with the Richmond Police Department, Code Enforcement, Richmond Housing Authority, and Community Development Department to foster open communication about issues pertaining to the Rent Ordinance. In addition to monthly meetings, staff members in the Public Information and Billing and Registration Unit are frequently in communication with the Finance and Community Development Departments to streamline operations and improve customer service provided to community members by facilitating information sharing and identifying opportunities for collaboration. The Finance Department currently updating their systems to invoice and credit fees for Measure U.</p>
<p>Continue to implement the recommendations provided by Kevin Harper CPA and Associates, including monitoring budgeted versus actual expenses and providing quarterly reports to the Rent Board, updating the Board's 10-year financial projection, and proposing budgetary policies for the Board's consideration.</p>	<p>Ongoing. Rent Program staff completes a variance report and compares budgeted revenues and expenditures monthly. The financing is currently in line with the 10-year financial projection. The Program is requesting to purchase an annual subscription to a system that's custom to the Program's needs. The solution will offer functions of CRM, Billing/Invoice, Interaction Log, Registration, and Petition Management.</p>

Proposed Fiscal Year 2022-23 Goals

The proposed Fiscal Year 2022-23 budget has been prepared for the Board's consideration in acknowledgement of the following goals in three broad categories: Program Development, Outreach, and Program Sustainability and Compliance.

PROGRAM DEVELOPMENT:

1. **Continue to invest in staff training and professional development** to ensure staff members are knowledgeable on the requirements of the Rent Ordinance, Rent Board Regulations, and related State and Federal laws.
2. **Continue to develop online services** (e.g., filing system for the submission of Property Enrollment and Tenancy Registration forms, online appointment scheduling system, increasing Zoom counseling sessions, as well as the filing of rent increase and termination of tenancy notices).

OUTREACH:

1. **Increase awareness of the Rent Ordinance** by publicizing and distributing the comprehensive Guide to Rent Control in Richmond and continue to develop online outreach services (e.g., fact sheets, webinars, and podcasts on new pandemic related laws and other common topics such as Just Cause for Eviction, Owner Move-In Evictions, Rent Increases, the Rent Adjustment Petition process, the Ellis Act, and the Relocation Ordinance).
2. **Expand education efforts** through targeted outreach to specific groups, such as (but not limited to) tenants and providers of affordable housing, realtors, monolingual Spanish speaking households, small property owners, and problem properties (those with code violations).
3. **Develop systems to produce Notices of the Maximum Allowable Rent (MAR)** (sent to Landlords and Tenants when Tenancy Registration Forms are submitted), including a database accessible to the public where community members can research the MAR for a particular rental unit.

PROGRAM SUSTAINABILITY AND COMPLIANCE:

1. **Provide highest level of service to the rental community.** To properly administer these services, the Rent Program must continually collect the Rental Housing Fees to support the necessary operations.
2. **Improve and focus on sustainability of the agency.** The success of the Program is tied to the ability to retain, develop, and effectively deploy staff resources in the most effective and efficient manner possible.
3. **Continue to work collaboratively with other City departments to improve rental housing inspection options,** Richmond's Rent Assistance Program, enforcement of the Relocation Ordinance, and the collection of other City fees (e.g., Business License Tax, Fire Prevention Services Fee, and Rental Inspection Program fee).
4. **Continue to develop and refine the Rent Program's database, transitioning from using the City's TRAKiT database, to a new database solution** designed to work specifically for the needs of the Rent Program. A more effective and efficient database will allow for more accurate billing, enhancing the Program's collection rate, and improving the Program's ability to accurately track lawful rents, Hearing's decisions, eviction trends, etc. The anticipated long-term impact should be a decrease in overall long-term staff costs, by reducing the number of positions necessary to perform the work of the agency.

II. PROPOSED FY 2022-23 BUDGET

The figure below contains the revised Fiscal Year 2022-23 budget based on feedback provided by the Rent Board at its May 31, 2022, Special meeting. Detailed descriptions of the components within each line item are contained in the sections that follow.

BUDGET							
Object #	City Account Description	FY 18-19 ACTUALS	FY 19-20 ACTUALS	FY 20-21 ACTUALS	FY 21-22 PROPOSED	FY 22-23 PROPOSED	Notes
	REVENUES						
340445	Fees/Admin Fees	2,189,703	2,681,689	2,764,961	2,893,854	3,062,687	(1)
361701	Int & Invest/Pooled-All Other	367	11,537	6,096	14,460	14,000	
364867	Revenue from Collections	133	13,042	24,796	30,000	30,000	
	TOTAL REVENUES	2,190,203	2,706,268	2,795,854	2,938,314	3,106,687	
	EXPENSES						
400001	Salaries & Wages/Executive	530,092	639,594	649,356	677,798	724,848	(2)
400002	Salaries & Wages/Mgmt-Local 21	294,152	263,080	183,838	284,628	324,846	(2)
400003	Salaries & Wages/Local 1021	128,866	150,317	168,422	169,860	202,332	(2)
400006	Salaries & Wages/PT-Temp	49,557	45,905	32,244	43,036	35,776	(2)
400031	Overtime/General	4,778	2,094	1,312	2,500	2,500	
400048	Other Pay/Bilingual Pay	6,993	9,064	9,719	11,377	11,172	
400049	Other Pay/Auto Allowance	4,200	4,200	4,200	4,200	4,200	
400050	Other Pay/Medical-In Lieu of	2,700	1,500	-	2,400	-	
400079	Comp Absences/WC-Prof-Mgt-Tec	1,486	5,328	-	-	-	
	Subtotal - Salaries & Wages	1,022,823	1,121,084	1,049,091	1,195,799	1,305,674	
400103	P-Roll Ben/Medicare Tax-ER Shr	14,937	16,389	15,313	15,992	18,207	(3)
400104	P-Roll Ben/PERS Benefits	-	-	-	-	-	
400105	P-Roll Ben/Health Insurance Be	146,557	136,575	128,611	140,309	232,291	(3)
400106	P-Roll Ben/Dental Insurance	16,652	17,021	17,534	15,508	17,520	(3)
400109	P-Roll Ben/Employee Assistance	430	473	422	464	216	(3)
400110	P-Roll Ben/Professional Dev-Mg	3,728	5,200	1,500	3,750	6,750	(3)
400111	P-Roll Ben/Vision	2,106	2,095	2,049	2,052	2,052	(3)
400112	P-Roll Ben/Life Insurance	5,557	4,006	3,433	3,713	4,139	(3)
400114	P-Roll Ben/Long Term Disabilit	9,408	10,100	9,259	10,076	12,342	(3)
400116	P-Roll Ben/Unemployment Ins	1,860	5,100	4,960	5,730	5,472	(3)
400117	P-Roll Ben/Personal/Prof Dev	750	1,493	1,500	5,250	2,250	(3)
400118	P-Roll Ben/Worker Comp-Injury Appt	-	-	692	359	-	(3)
400121	P-Roll Ben/Worker Comp-Clerica	13,806	12,154	14,541	19,240	24,001	(3)
400122	P-Roll Ben/Worker Comp-Prof	69,352	60,744	74,891	79,290	-	(3)
400127	P-Roll Ben/OPEB	39,338	43,623	42,145	22,763	40,723	(3)
400130	P-Roll Ben/PARS Benefits	642	434	50	94	-	(3)
400149	P-Roll Ben/Misc	123,021	140,616	139,314	151,638	156,287	(3)
400151	P-Roll Ben/Misc (UAL)	162,985	235,683	271,234	271,391	287,268	(3)
	Subtotal Fringe Benefits	611,127	691,706	727,447	747,618	809,518	
400201	Prof Svcs/Professional Svcs	32,112	38,241	10,957	18,350	143,455	(4)
400206	Prof Svcs/Legal Serv Cost	137,614	193,742	149,994	210,000	210,000	(5)
400220	Prof Svcs/Info Tech Services	2,375	-	2,142	-	-	
400241	Travel & Trng/Meal Allowance	359	-	-	-	-	
400242	Travel & Trng/Mileage	1,284	17	-	-	-	
400243	Travel & Trng/Conf, Mtng Trng	280	-	-	-	-	
400245	Travel & Trng/Tuition Rmb/Cert	800	800	-	800	800	(6)
400261	Dues & Pub/Memberships & Dues	824	1,590	1,453	1,650	1,650	(7)
400263	Dues & Pub/Subscription	1,500	-	-	-	-	
400271	Ad & Promo/Advertising & Promo Materials	1,559	2,106	1,702	5,675	800	(8)
400272	Ad & Promo/Community Events	1,563	1,722	-	-	-	
400280	Adm Exp/Program Supplies	5,292	1,600	3,432	3,950	5,380	(9)
	Subtotal Prof & Admin Services	185,563	239,819	169,680	240,425	362,085	
400231	Off Exp/Postage & Mailing	10,849	5,905	6,528	22,647	17,300	(10)
400232	Off Exp/Printing & Binding	12,071	3,295	3,428	25,807	24,404	(11)
400233	Off Exp/Copying & Duplicating	46	-	236	500	500	
400304	Rental Exp/Equipment Rental	8,721	4,532	2,488	8,000	9,000	(12)
400321	Misc Exp/Misc Contrib	3,000	-	1,500	3,000	2,000	(13)
400322	Misc Exp/Misc Exp	3,061	2,262	-	2,925	2,000	
400341	Off Supp/Office Supplies	8,721	6,024	1,891	6,795	5,000	
400344	Off Supp/Computer Supplies	18	783	-	-	-	
	Subtotal Other Operating	46,486	22,801	16,072	69,674	60,204	
400401	Utilities/Tel & Telegraph	254	414	551	500	500	
400538	Contract Svcs/Other Contract Svcs	-	-	103	-	-	
400552	Prov Fr Ins Loss/Ins Gen Liab	8,029	8,765	9,047	9,300	9,300	
400574	Cost Pool/(ISF)-Gen Liab	55,701	75,144	69,513	79,937	-	(14)
400586	Cost Pool/(CAP)-Admin Charges	51,454	51,454	51,454	52,481	-	(14)
400591	Cost Pool/(IND)Civic Ctr Alloc	52,420	47,026	50,289	50,286	48,217	
400601	Noncap Asst/Comp Hrdware<5K	-	6,526	-	10,800	-	
400604	Noncap Asst/Furniture <5K	13,328	-	-	-	-	
	TOTAL EXPENSES	2,047,186	2,264,738	2,143,246	2,456,820	2,595,497	
	OPERATING RESERVE	560,985	424,794	420,821	429,944	467,190	(15)
	TOTAL BUDGET	2,804,925	2,923,584	2,896,242	2,886,764	3,062,687	

Budget Notes

- (1) Assumes a Fiscal Year 2021-22 Rental Housing Fee of \$226 for Fully Covered units and \$127 for Partially Covered units.
- (2) See page 11 for detailed salary and wage assumptions.
- (3) The Rent Program is seeking the City to cap Total Fringe Benefits at 62% of Total Salaries and Wages.
- (4) Includes \$100,000 for cloud-based solution – IT charge, \$20,000 for consultants to complete Cost Pool and Fringe Benefits analysis, \$2,205 TRAKiT annual fee, \$4,000 for a property information subscription, \$3,000 for a legal research subscription, \$8,000 for scheduled interpretation, \$6,000 for written translation, and \$250 for on-demand interpretation services.
- (5) Includes \$125,000 contract with the Eviction Defense Center to assist with Unlawful Detainer cases, \$75,000 for a contract with Bay Area Legal Aid for the weekly Housing Rights Clinics, and \$10,000 for legal filing fees in the event of litigation.
- (6) In accordance with City personnel policies, eligible employees may receive reimbursement of up to \$800 for higher education tuition.
- (7) Anticipated cost of Bar Association dues for three attorneys (\$550 per Attorney).
- (8) Budgeted amount includes funds to satisfy the requirement to publish notices in the newspaper for public hearings as part of the budget adoption process, social media promotions, and promotional materials.
- (9) Budgeted amount includes the cost of email accounts for Rent Board Members, business cards, and videoconference/webinar accounts.
- (10) Budgeted amount reflects anticipated postage costs for Rental Housing Fee invoices, tenancy registration mailings, and the Guide to Rent Control.
- (11) Budgeted amount reflects anticipated printing costs for Rental Housing Fee invoices, tenancy registration mailings, and the Guide to Rent Control.
- (12) Lease of copy machines including a cost-per-copy amount. 36-month lease ends in 2022.
- (13) Stipends for 2 UC Berkeley Public Service Center interns, ranging from \$1,000 - \$1,500 per intern.
- (14) Rent Program is working with the City to determine the proper methodology of Cost Pool allocation, new methodology is under review.
- (15) Budgeted reserve is equal to 18 percent of total operating expenses consistent with the Rent Board's proposed Reserve Policy.

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SALARIES AND WAGES	
400001 – 400006 Permanent Employees	Proposed Allocation: \$1,287,802

The allocation reflects salary-related costs for all filled positions and includes a cost-of-living adjustment (COLA) for all non-exempt staff as set forth in the collective bargaining agreements with the City’s employee unions. The Deputy Director and General Counsel positions are proposed to forfeit cost-of-living adjustments in Fiscal Year 2022-23.

Position	Fiscal Year 2021-22 Salary	Fiscal Year 2022-23 Salary	Notes
Executive Director	\$153,336	\$165,603	COLA for prior 3 fiscal years
Hearing Examiner	\$145,380	\$149,596	COLA – partial
General Counsel (<i>formerly Staff Attorney</i>)	\$145,380	\$152,649	Reclassified from Staff Attorney – December 2021
Deputy Director	\$120,000	\$140,000	Hired August 2021
Staff Attorney	\$113,702	\$117,000	COLA - partial
Subtotal Executive Staff	\$677,798	\$724,848	
Rent Program Services Analyst II	\$92,208	\$83,724	Budgeted at Step 3 of Analyst II
Senior Administrative Analyst (<i>pending Personnel Board and Council approval; budgeted amount reflects 50% Senior Administrative Analyst salary schedule, Step I</i>)	\$74,244	\$80,982	Reclassification from Assistant Administrative Analyst: Third Quarter
Rent Program Services Analyst I	\$70,968	\$74,244	Budgeted at Step 5 of Analyst II
Senior Analyst (<i>Personnel Board and Council approved FY2021-22; budgeted amount reflects Senior Management Analyst salary schedule</i>)	\$47,208 (50% annual salary)	\$85,896	Reallocate from Rent Program Services Analyst and reclassify as Senior Analyst
Subtotal Local 21 Management Staff	\$284,628	\$324,846	
Administrative Aide	\$70,476	\$70,476	
Administrative Aide	\$32,160 (50% annual salary)	\$61,380	Hire March 2022
Administrative Aide	\$67,224	\$70,476	Anticipated to receive regular step increase
Subtotal SEIU 1021 Staff	\$169,860	\$202,332	
Administrative Student Intern	\$21,518	\$17,888	
Administrative Student Intern	\$21,518	\$17,888	
Subtotal Part Time/Temp Staff	\$43,036	\$35,776	
TOTAL SALARIES	\$1,175,322	\$1,287,802	

SALARIES AND WAGES	
400031 Overtime	Proposed Allocation: \$2,500

The allocation accounts for \$2,500 for the Public Information and Enrollment Unit for work that cannot be completed during regularly scheduled hours. Most overtime hours are anticipated to be incurred during billing and registration periods, when there is a high volume of inquiries and thousands of mailers to print and assemble. The proposed allocation also accounts for overtime hours utilized during weekend or evening outreach events.

SALARIES AND WAGES	
400048 Bilingual Pay	Proposed Allocation: \$11,172

The allocation accounts for the two percent (2%) salary premium granted to seven (6) bilingual staff members employed by the Rent Program. These staff members include:

- Staff Attorney (1 FTE)
- Hearing Examiner (1 FTE)
- Rent Program Services Analysts (1 FTE)
- Senior Rent Program Services Analyst (1 FTE)
- Administrative Aides (2 FTE)

SALARIES AND WAGES	
400049 Auto Allowance	Proposed Allocation: \$4,200

The allocation accounts for an automobile allowance for the Executive Director, in the amount of \$350 per month.

BENEFITS	
400103 - 400151 Fringe Benefits	Proposed Allocation: \$809,518

The allocation accounts for benefits provided to full-time employees. Individual plan changes and/or actual rate changes during the fiscal year may affect the amount actually expended.

These benefits include:

- Health Benefits
 - Health Insurance (\$232,291)
 - Dental Insurance (\$17,520)

- Vision Insurance (\$2,052)
- Employee Assistance Program (\$216)
- Professional Development funds – 9 permanent employees are eligible for reimbursement of up to \$750 for eligible expenses (\$6,750)
- Medicare Taxes (\$18,207)
- Life Insurance (\$4,139)
- Long-Term Disability Insurance (\$12,342)
- Unemployment Insurance (\$5,472)
- Workers’ Comp Insurance¹
 - Clerical staff (\$24,001)
 - Professional staff (\$0)
- Other Post-Employment Benefits (OPEB) (\$40,723)²
- Public Agency Retirement System (PARS) Benefits (\$102)
- Miscellaneous Benefits (\$443,555)³

PROFESSIONAL AND ADMINISTRATIVE SERVICES	
400201 Professional Services	Proposed Allocation: \$143,455

The allocation accounts for professional services provided by contractors. These services include:

- Cloud-based Solution suited for the Program’s critical needs and goals. The system will improve the efficiency, accuracy, and reliability of the critical data. The available modules consist of a CRM/Database to store all the rental unit data such as property addresses, landlord information, and activity/interaction log, which would include the history and summary of all submissions and notices filed with the Rent Program. The system would also integrate billing/invoicing. This will also allow online submissions of Property Enrollment forms, Tenancy Registration forms, and Rent Adjustment petitions.

¹ The Rent Program is seeking for the City to cap Total Fringe Benefits at 62% of Total Salaries and Wages. No charge will be included in the budget for Worker’s Compensation for Professional staff and Worker’s Compensation for Clerical staff had been adjust for the cap.

² According to the California Department of Human Resources, through the collective bargaining process and under the authority of Government Code 22944.5, OPEB (Other Post-Employment Benefits) is the method by which the State of California, as the employer, and its employees jointly prefund health benefits that active employees will receive as state retirees. All employees in positions that are eligible for health benefits, whether or not currently enrolled, prefund OPEB. The state prefunds a matching contribution.

³ Miscellaneous benefits refer to the employer portion of CalPERS pension costs for miscellaneous (non-sworn) staff. CalPERS costs are remitted in two parts—one being a percentage of payroll each pay period (object code 400149) and the other being a flat dollar amount per FTE for the unfunded liability (object code 400151). CalPERS provides an annual valuation report that specifies these rates/dollar amounts.

Finally, the solution will allow for comprehensive counseling and petition case management. Start-up costs and first year annual subscription (estimate \$100,000).

- Consultants to review and analyze Cost Pool Allocation methodology provided by the City. A proper mechanism for charging overhead costs to the Rent Program needs to be established for the administrative support provided by the City of Richmond. The Rent Program and City will mutually solicit a new consultant to prepare a separate joint study to be used for cost allocation between the two parties (estimated \$20,000).
- Translation Services
 - Written translation (\$8,000)
 - Scheduled verbal interpretation (\$6,000)
 - On-demand verbal interpretation (\$250)
- Property Information subscription (\$250 per month, plus \$1,000 annually for special reports, for a total of \$4,000)
- Legal Information subscription (\$250 per month, for a total of \$3,000)
- TRAKiT End User license for Citywide database (\$2,205)

PROFESSIONAL AND ADMINISTRATIVE SERVICES	
400206 Legal Services	Proposed Allocation: \$210,000

The allocation accounts for legal services provided by contractors for community members. More specifically, the allocation includes funds for two categories of legal services:

1. Community Services Agency Contracts
 - The Rent Program contracts with Bay Area Legal Aid in the amount of \$75,000 to offer weekly legal service clinics for both Landlords and Tenants who are Richmond residents
 - The Rent Program contracts with the Eviction Defense Center in the amount of \$125,000 to provide legal referrals to individuals who need assistance with responding to Unlawful Detainer (eviction) lawsuits.
2. Legal costs
 - The additional costs for legal filing fees in the event of litigation.

TRAVEL AND TRAINING	
400245 Tuition Reimbursement	Proposed Allocation: \$800

The allocation accounts for reimbursement for tuition reimbursement, consistent with the City's personnel policies (\$800).

DUES AND PUBLICATIONS	
400261 Memberships & Dues	Proposed Allocation: \$1,650

The allocation accounts for California BAR Association dues for three attorneys (\$550 per attorney).

ADVERTISING AND PROMOTION	
400271 Advertising & Promotional Materials	Proposed Allocation: \$800

The allocation accounts for newspaper announcements as required as part of the budget adoption process (\$200) and monthly promotion on social media accounts (\$600).

ADMINISTRATIVE EXPENSES	
400280 Program Supplies	Proposed Allocation: \$5,380

The allocation includes funds for supplies not classified as office supplies, including:

- Emails for Rent Board Members (\$100 per month, for a total cost of \$1,200)
- Business cards for staff members (\$50 per order, for an estimated 12 orders, for a total cost of \$600)
- Zoom Accounts
 - 8 Standard Accounts (\$1,313)
 - 3 Webinar Accounts (\$2,267)

OFFICE EXPENSES	
400231 Postage and Mailing	Proposed Allocation: \$17,300

The allocation includes funds for mailing invoices, letters, and the Guide to Rent Control to Tenants and Landlords. Specifically, the allocation accounts for the following projects and assumes a postage rate of \$0.58 per envelope for all projects, with the exception of the Guide to Rent Control mailing, which assumes a postage rate of \$0.50 per envelope:

- Rental Housing Fee invoices to 5,716 Landlords: \$3,315
- Late Rental Housing Fee invoices to 1,905 Landlords: \$1,105
- Sending the Notice of Apparent Lawful Rent Ceiling to 1,000 Tenants and Landlords: \$580
- Sending Rent Validation Reports to 1,000 Tenants and Landlords: \$580
- Mailing the Guide to Rent Control to 23,439 Tenants and Landlords: \$11,719

OFFICE EXPENSES	
400232 – 400233 Printing and Binding	Proposed Allocation: \$24,904

The allocation includes funds for printing resources for community members, as well as invoices, letters, and the Guide to Rent Control for Tenants and Landlords. Specifically, the allocation accounts for the following projects:

- General print materials: \$4,000 (includes \$500 in account string 400233)
- Rental Housing Fee invoices to 5,716 Landlords: \$286
- Late Rental Housing Fee invoices to 1,905 Landlords: \$95
- Printing the Notice of Apparent Lawful Rent Ceiling for 1,000 Tenants and Landlords: \$50
- Printing Rent Validation Reports for 1,000 Tenants and Landlords: \$50
- Printing the Guide to Rent Control for 23,439 Tenants and Landlords: \$19,923

OFFICE EXPENSES	
400304 Equipment Rental	Proposed Allocation: \$9,000

The allocation provides for funding for the lease of combination printers, scanners, copiers, and fax machines at City Hall. In 2019, the Rent Program, in partnership with the Richmond Promise, Arts and Culture, and Department of Infrastructure, Maintenance, and Operations, entered into a 36-month lease for two machines for the second floor of 440 Civic Center Plaza building. The cost of the lease is shared equally among participating entities, while the cost-per-copy is charged to each entity. The cost to the Rent Program is approximately \$666 per month, which includes \$558 for the lease of two machines and approximately \$108 for cost-per-copy charges (\$0.0055 per page for black and white copies; \$0.048 for color.)

MISCELLANEOUS EXPENSES	
400321 - 400322 Miscellaneous Contributions and Expenses	Proposed Allocation: \$4,000

The allocation provides for the Rent Program to continue to partner with the UC Berkeley Public Service Center to retain a student intern for the 2021-22 academic year. The estimated cost is approximately \$2,000 per intern. The allocation also includes \$2,000 for miscellaneous expenses based on minor unforeseen program needs throughout the year.

OFFICE SUPPLIES	
400341 Office Supplies	Proposed Allocation: \$5,000

The Rent Program purchases office supplies through the City’s purchasing division which contracts with an office supply vendor. This allocation covers traditional office supplies necessary to maintain daily professional operations.

UTILITIES	
400401 Telephone	Proposed Allocation: \$500

The allocation covers the cost of the Executive Director’s work cell phone service. During the Covid-19 pandemic, the Executive Director’s cell phone has been utilized by program staff to handle incoming calls to the main Rent Program phone line.

SUPPLEMENTAL INSURANCE	
400552 General Liability Insurance	Proposed Allocation: \$9,300

The allocation covers the cost of a supplemental liability insurance policy (SLIP) for the Rent Program. More specifically, the policy accounts for Errors and Omissions and General Liability coverage.

COST POOL	
400574 – 400591 General Liability, Admin Charges, Space	Proposed Allocation: \$48,217

The allocation covers General Liability, Administrative Charges, and space at City Hall for the Rent Program.

The Rent Program has been in discussions with the City of Richmond to evaluate the new methodology and accuracy of the allocation that covers General Liability and Administrative Charges. Staff reviewed the allocation for General Liability and Administrative Charges from the Finance (Budget) Department since being advised by the Finance Department that the Cost Pool amounts were anticipated to increase significantly.

The City’s new methodology must align with California law which requires fees charged for any service or regulatory activity must not exceed the reasonable cost of providing the service of the Rent Program.

Rent Program leadership are engaged in on-going discussions with the City Attorney’s, City Manager, Human Resources, and Finance Department regarding the budgeted Cost Pool and Fringe Benefits amounts. Rent Program staff have reached a tentative solution and understanding with the City to hire consultants to review and analyze the Cost Pool Allocation methodology provided by the City. A proper mechanism for charging overhead costs to the Rent Program needs to be established for the administrative support provided by the City of Richmond. The Rent Program and City will mutually solicit a new consultant to prepare a separate joint study to be used for cost allocation between the two parties (Professional Services estimated \$20,000).

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- **General Liability and Workers' Compensation** at a total cost of \$0. The City's new methodology must align to Section 50076 of the California Government Code which requires fees charged for any service or regulatory activity must not exceed the reasonable cost of providing the service of the Rent Program. Until this methodology has been researched and validated by consultants hired jointly with the City, no charge will be included in the budget.
- **Administrative Charges (previously referred to as "Indirect Costs")** are allocated to City Departments to reimburse the General Fund for administrative services performed by central service departments (e.g. Information Technology (IT), Human Resources, Finance Department, City Manager, City Attorney, City Clerk, and City Council.) Allocations are determined in the City's Cost Allocation Plan (CAP) which is conducted by an external consultant on a periodic basis. The Rent Program was not included in the most recent Cost Allocation Plan. The City Manager's Office was used as the basis for the original figure in prior years. The new CAP was conducted by NBS, and the latest report dated April 25, 2022, requires further research and validation on the consultant's findings. The City's new methodology must align to Section 50076 of the California Government Code which requires fees charged for any service or regulatory activity must not exceed the reasonable cost of providing the service of the Rent Program. Until this methodology has been researched and validated by consultants hired jointly with the City, no charge will be included in the budget. The cost allocated in the budget is \$0.
- **Civic Center Allocation** refers to the cost of space at 440 Civic Center Plaza. The cost of this space is based on the percentage of total occupied square footage at City Hall. This percentage is then applied to the total annual debt service. Based on the most recent assessment conducted in 2017, the Rent Program is presumed to occupy 0.9% of the total square footage at City Hall. Since the Rent Program's square footage has increased each year since 2017, the budgeted allocation has increased accordingly. The City anticipates conducting a new assessment in the near future, and as such, the cost of these charges may increase or decrease depending on their findings. The cost allocated in the budget is \$48,217.

III. EXPENSE AND REVENUE PROJECTIONS

Overview

In accordance with the Rent Ordinance, the Rent Program’s budget is funded by a Residential Rental Housing Fee, paid by all Richmond Landlords. Table 2, below, contains a summary of funds expended and collected for departmental operations since the Program’s establishment in 2017. Collection efforts for all assessed fees are ongoing. In 2019, the Rent Board entered into a contract with a collection services agency to recover unpaid fees. To date, the agency has collected approximately \$50,000 in outstanding fee revenue. This figure is expected to grow as collection efforts continue.

Table 2. Expense and Revenue Summary

FISCAL YEAR	BUDGETED AMOUNT	FUNDS EXPENDED	FEE REVENUE COLLECTED ⁴	COLLECTION RATE
2017-18 ⁵	FY 16-17 (partial): \$1,150,433	\$1,967,834	\$2,753,351 ⁶	77%
	FY 17-18: \$2,425,338			
2018-19	\$2,804,925	\$2,047,186	\$2,192,672	78%
2019-20	\$2,923,584	\$2,264,738	\$2,684,140	92%
2020-21	\$2,896,242	\$2,137,638	\$2,778,234	96%
2021-22	\$2,893,854	\$2,178,419 ⁷	\$2,362,626 ⁸	80% ⁹ + PROJECTED

Source: City of Richmond Rent Program, 2022 (reports generated using eTRAKiIT and MUNIS software systems.)

10-Year Financial Projection

A ten-year financial projection of revenue, expenses, and reserves is contained in Appendix B of this report. The projected Rental Housing Fee collection rate for the 2021-22 fiscal year is expected to be above 80 percent. There may be a slight decrease in the collection rate from prior years primarily attributable to the challenges posed by the Covid-19 pandemic. Not only have many property owners experienced financial hardship because of the effects of the pandemic, but the Rent Program and City of Richmond’s ability to collect revenue has also been negatively impacted by the shift to remote work, which has significantly reduced staff time in the office and eliminated the possibility for property owners to pay the Rental Housing Fee in person at City Hall.

⁴ Includes revenue collected by the collection agency.

⁵ Includes the FY 2016-17 Rental Housing Fee (December 2016 – June 2017)

⁶ Includes revenue collected in FY 2017-18 for both the FY 2016-17 and FY 2017-18 fees.

⁷ Represents projected total expenses through the end of FY 2021-22.

⁸ Represents projected total revenues through the end of FY 2021-22, excluding interest.

⁹ Represents a collection rate based on projected expenses and revenues through the end of FY 2021-22.

IV. FISCAL YEAR 2022-23 RENTAL HOUSING FEE STUDY

Introduction and Background

Section 11.100.060(l)(1) of the Rent Ordinance provides all Landlords shall pay a Residential Rental Housing Fee to fund the Rent Program budget. The amount of the Rental Housing Fee is established annually by the Richmond Rent Board and approved by the City Council.

Under Section 50076 of the California Government Code, fees charged for any service or regulatory activity must not exceed the reasonable cost of providing the service. Those fees must be approved by the City Council, as the legislative body, in public session.

The fee study is designed to allow the Rent Program to recover costs of all budgeted operations, including, but not limited to:

- Personnel costs of staff, benefits, and overtime;
- Risk management of general and supplemental liability insurance;
- Charges allocated to City Departments to reimburse the General Fund for administrative services by central service departments (i.e. City Council, City Manager, City Attorney, City Clerk, Finance, HR, etc.);
- Information Technology (IT) expenses associated with a property and rent-tracking database and maintenance of computer hardware and software;
- Legal costs to support enforcement and defense of legal challenges to the Rent Ordinance;
- Costs of education and outreach, including the printing and distribution of print materials and hosting of community workshops and seminars;
- Contracts for translation and other professional services;
- An operating reserve to fund unanticipated costs and variations in collection of the Rental Housing Fee.

Structure of the Rental Housing Fee

Consistent with direction from the Rent Board in 2017, its first year of existence, the Fiscal Year 2016-17 and FY 2017-18 Rental Housing Fees were established as “flat fees,” applicable to all units regardless of partial or full applicability under the Rent Ordinance. This approach was utilized during the first 1.5 years of program startup since the tasks and associated benefits of the agency’s startup were reasonably shared among Rental Units regardless of status.

For the 2018-19 Fiscal Year, the Rent Board adopted a tiered fee, much like that contemplated in the [2017 Fee Study](#) prepared by Management Partners. Under this approach, costs of program administration are allocated among three components or layers: a general “program” layer (calculated at 55% of costs), a “just cause” layer (20% of total costs), and a “rent control” layer (25% of costs). Such allocations correspond with the

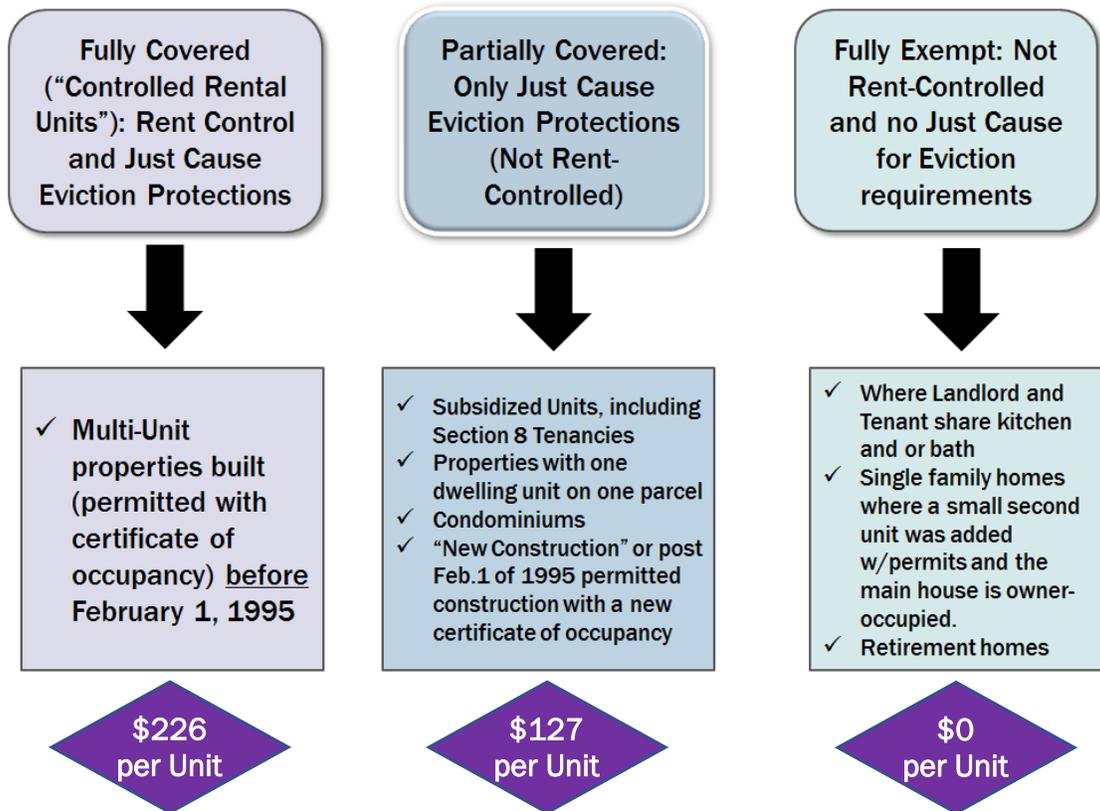
amount of resources spent administering each component of the program. Staff members recommend the Board continue to utilize a tiered-fee approach in its determination of the Fiscal Year 2022-23 Rental Housing Fee to ensure the requirements of Section 50076 of the California Government Code are met. The figure on the following page illustrates this concept and identifies key example tasks associated with each program component. This list is not exhaustive; the tasks below are identified for illustrative purposes only.

Figure 2. Fee Layers and Associated Tasks



The amount of the Rental Housing Fee applicable to a particular Rental Unit depends on its status. Units applicable to the Just Cause for Eviction requirements but exempt from the Rent Control provisions of the Ordinance (such as properties with only one dwelling unit on the parcel, governmentally subsidized units, condominiums, and permitted units built after February 1, 1995), are responsible for payment of Program and Just Cause for Eviction layers. Units subject to the Just Cause for Eviction and Rent Control provisions of the Rent Ordinance would be responsible for payment of all three layers. Units that are fully exempt from the Rent Ordinance are not responsible for payment of the Rental Housing Fee. Figure 3, below, identifies the types of units within each of these categories and the proposed fee.

Figure 3. Proposed Fees Applicable to Fully Covered, Partially Covered, and Fully Exempt Rental Units



Applicable Unit Counts and Database Development

The number of applicable Rental Units within each category is a critical input in the calculation of the Rental Housing Fees for partially and Fully Covered units. The Fiscal Year 2016-17 and 2017-18 Fee Study utilized data provided by the Contra Costa County Assessor’s Office to identify suspected Rental Units. While County Assessor data may be used to arrive at an estimated number of total Rental Units, it cannot produce an exact figure. Nevertheless, County Assessor data was the best and most readily available data at the time of the Fiscal Year 2016-17 and 2017-18 Fee Study.

Since the first iteration of the Rental Housing Fee Study in Fiscal Year 2017-18, staff have continued to refine the database of Rental Units in the City of Richmond, most notably through the completion of an exemption verification project of single-family homes in the City to accurately identify units that are truly rented. This project involved mailing an introductory letter and policy information to all single-family homes and condominiums possessing one of the following characteristics in the County Assessor database:

- (1) No Homeowner’s Tax Exemption was claimed
 - (2) The site address of the property did not match the owner on record’s mailing address
- Approximately 15,500 properties met the above criteria. To confirm applicability under the Rent Ordinance, Rent Program staff members mailed information about the requirements of the Rent Ordinance to all the owners of properties that met the criteria above. Owners of

properties in the City of Richmond that did not contain any Rental Units (for example, owners of condominiums that are owner-occupied) were required to complete and submit a Declaration of Owner Occupancy and/or Exemption form and submit documentation to allow staff members to approve the exemption. Rent Program staff members received and processed approximately 1,731 Declaration of Owner Occupation and/or Exemption forms.

Additional sources of data, including the identification of Rental Units not identified in the previous fee study, include:

- Rental Units enrolled in the Rent Program online at www.richmondrent.org/enroll
- Rental Units identified by the Rental Inspection Program
- Rental Units participating in the Section 8 Housing Choice Voucher Program
- Rental Units with an active business license
- Rental Units in subsidized housing developments, such as those built with Low Income Housing Tax Credits (LIHTC), based on the [inventory of deed-restricted affordable housing](#) prepared by Rent Program staff members in 2017
- Unknown Rental Units identified through Tenant inquiries and other sources to the Rent Program

Since the adoption of last year's Rental Housing Fee, staff members have continued to refine the database of Rental Units through processing of Property Enrollment and Owner Declaration forms. These processes have further unveiled suspected Rental Units that are not truly rented, decreasing the total number of applicable Rental Units among which the Rent Program budget is divided to calculate the Rental Housing Fee. For example, the processing of Property Enrollment forms has unearthed many multifamily properties where an owner may occupy one unit. In such case, the status of a unit would be changed from "Compliant" or "Noncompliant" [Partially or Fully Covered Rental Unit] to "Owner Occupied." The table on the following page summarizes these changes as of February 2021. In total, records indicate that the Rent Program is aware of 18,150 Rental Units applicable to the Rent Ordinance.

According to the 2019 American Community Survey (Table DP04), the number of renter-occupied housing units in Richmond is reported as 20,467 units, with a margin of error of 1,767. The American Community Survey is a sample, not a complete count, which is why the margin of error is reported. This means that there is estimated to be between 18,700 and 22,234 renter-occupied housing units in Richmond. **This data suggests that there could be at least one thousand Rental Units absent from the Rent Program's database.** Rent Program staff are committed to dedicating resources to compliance and outreach projects to ensure that all Rental Units subject to the Rent Ordinance are assessed the Rental Housing Fee and all Landlords who should be paying the Rental Housing Fee receive an invoice and are made aware of their financial obligation to the Rent Program.

Table 3. Unit Status Counts, 2020 – 2022

NOTE: These numbers are continuously being verified and all figures are subject to change.

STATUS	2020 TOTAL	2021 TOTAL	2022 TOTAL	CHANGE BETWEEN 2021 AND 2022
SUSPECTED FULLY COVERED RENTAL UNITS	8	31	33	+2
FULLY COVERED RENTAL UNITS	7,425	7,484	7,632	+148
SUBTOTAL - FULLY COVERED UNITS	7,433	7,515	7,665	+150
SUSPECTED PARTIALLY COVERED RENTAL UNITS (EXCLUDING GOV SUBSIDIZED RENTAL UNITS)	120	203	124	-79
PARTIALLY COVERED RENTAL UNITS (EXCLUDING GOV SUBSIDIZED RENTAL UNITS)	5,568	5,497	5,863	+366
SUBTOTAL - PARTIALLY COVERED UNITS (EXCLUDING GOV SUBSIDIZED RENTAL UNITS)	5,688	5,700	5,987	+287
SUBTOTAL - GOVERNMENTALLY SUBSIDIZED RENTAL UNITS	4,512	4,508	4,498	-10
TOTAL APPLICABLE UNITS	17,633	17,723	18,150	+427
OWNER OCCUPIED	5,463	5,625	5,759	+134
RENT FREE	250	259	250	-9
NOT AVAILABLE FOR RENT	317	315	265	-50
NOT APPLICABLE ¹⁰	682	805	533	-272
TOTAL NON-APPLICABLE OR CONDITIONALLY EXEMPT UNITS	6,712	7,004	6,807	-197

Rental Housing Fees Associated with Proposed FY 2022-23 Budget

Table 4, below, present the fees corresponding to the proposed Fiscal Year 2022-23 budget:

Table 4. Fiscal Year 2022-23 Proposed Budget and Rental Housing Fees

UNIT COUNTS		PROPOSED FY 2022-23	CHANGE FROM FY 2022 TO 2023
TOTAL BUDGET ¹¹		\$3,062,687	+\$175,923 (+6.1%)
FULLY COVERED UNITS ¹²	7,665	\$226	+\$8 (+3.5%)
PARTIALLY COVERED UNITS (INCLUDING SUBSIDIZED UNITS) ¹³	10,485	\$127	+\$4 (+3.4%)
TOTAL REVENUE ¹⁴		\$3,106,687	+\$168,372 (+5.7%)

Comparison to Previously Adopted Rental Housing Fee and Peer Jurisdictions

On May 4, 2021, the Richmond City Council adopted [Resolution 65-20](#), approving the Fiscal Year 2021-22 Residential Rental Housing Fee in the City’s master fee schedule of \$218 per Controlled Rental Unit and \$123 per Partially Covered Rental Unit. Table 5, below, contains a historical comparison of the Residential Rental Housing Fees charged in previous years.

Table 5. Comparison of Proposed FY 2022-23 Rental Housing Fee to Prior Year Fees

FISCAL YEAR	FULLY COVERED RENTAL UNITS	PARTIALLY COVERED RENTAL UNITS	GOVERNMENTALLY SUBSIDIZED RENTAL UNITS ¹⁵
2017-18	\$145	\$145	N/A
2018-19	\$207	\$100	\$50
2019-20	\$212	\$112	N/A
2020-21	\$219	\$124	N/A
2021-22	\$218	\$123	N/A
2022-23 (Proposed)	\$226	\$127	N/A

¹¹ Total expenditures include a budgeted reserve equal to 18 percent of proposed expenses

¹² Includes suspected Fully Covered Rental Units

¹³ Includes suspected Partially Covered Rental Units

¹⁴ Fees rounded to the nearest full dollar; includes revenue from collections agency and interest

¹⁵ Governmentally Subsidized Rental Units are not segregated from partially covered units. The only year in which that occurred was FY 18'-19'. As the same level of services are offered for both types of Rental Units, they are charged the same Fee.

Table 6 compiled by the Richmond Rent Program on this page compares the proposed Rental Housing Fee to fees in other jurisdictions with rent programs in the state of California. This table calculates a per unit cost of administration, revealing that of California's actively enforced programs. Richmond's proposed fees are comparable to the peer jurisdictions with actively enforced rent programs, it is important to consider that Richmond's average rental rates are also less than those in peer rent control jurisdictions.

Table 6: Comparison of Program Budgets, Unit Counts, Fees, and Median Rents in Case Study Cities

JURISDICTION	2021-22 PROGRAM BUDGET	APPLICABLE RENTAL UNITS	RENTAL HOUSING FEES (PER UNIT)	AVERAGE RENT ¹⁶	PORTION OF FEE PASSED THROUGH TO TENANTS
ACTIVELY ENFORCED RENT PROGRAMS					
BERKELEY	\$5,822,405	19,607	\$250	\$3,164	50%, City may reimburse low-income Tenants ¹⁷
EAST PALO ALTO	\$400,930	2,325	\$222	\$2,662	50%
OAKLAND	\$5,954,690	65,000	\$101	\$2,772	50%
RICHMOND	\$3,062,686 (proposed for FY 2022-23)	7,665 Fully Covered Units; 10,485 Partially Covered Units	\$226 per Fully Covered Unit; \$127 per Partially Covered Unit (proposed for FY 2022-23)	\$2,537	None
SANTA MONICA	\$5,505,178	26,620	\$198	\$3,891	50%
COMPLAINT-DRIVEN RENT PROGRAMS					
LOS ANGELES	\$7,575,111	631,000	\$90 per Fully Covered Unit; \$30 per Partially Covered Unit	\$2,661	50%
WEST HOLLYWOOD	\$2,335,728	15,800	\$144 ¹⁸	\$3,354	50% (excludes Section 8 Tenants)
ALAMEDA	\$1,376,529	12,174 Fully Regulated Units; 1,887 Partially Regulated Units	\$148 per Fully Regulated Unit; \$100 per Partially Regulated Unit; \$0 for Subsidized Units	\$2,560	50%
SAN FRANCISCO	\$9,381,302	173,000	\$59 per apartment unit; \$29.50 per residential hotel room	\$3,230	50%

¹⁶ Source: RentCafe: The average apartment per square footage varies greatly depending on unit type, with less expensive and luxury alternatives for houses and apartments alike. Studio apartments are the smallest and most affordable, 1-bedroom apartments are closer to the average, while 2-bedroom apartments, and 3-bedroom apartments offer more square footage. Zillow Rent Index (ZRI) was used as the source in prior year.

¹⁷ Pass-through only applies to tenancies that began prior to January 1, 1999.

¹⁸ West Hollywood's Rent Program receives support from the City's General Fund, and the \$144 fee allows the program to recover 65% of total costs. The program would need to collect \$221 per unit to recover 100% of costs.

Conclusion and Recommended Actions

The revised 2022-23 budget will support the overarching goal of the Rent Program; that is, to continue to develop as an actively enforced program that equips community members with an understanding of their rights and responsibilities under the Rent Ordinance. The Fiscal Year 2022-23 Fee Study will allow the agency to recover costs of all budgeted operations and does not necessitate changing the amount of the Rental Housing Fee.

The recommendations put forth by staff for consideration by the Rent Board are as follows:

- Adopt the proposed Fiscal Year 2022-23 Budget to provide the support necessary for continued development of all Rent Program operations.
- Receive and approve the Revised Fiscal Year 2022-23 Rental Housing Fee Study.
- Direct staff to prepare a resolution, consistent with the Rent Board's approved Fee Study and Budget, recommending to the City Council adoption of a two-tier fee structure for Fiscal Year 2022-23 of \$226 for Fully Covered Rental Units and \$127 for Partially Covered Rental Units.

V. UNIT DESCRIPTIONS

Management Unit (2.25 FTE)

The Management Unit, comprised of the Executive Director, Deputy Director, and Senior Administrative Analyst (0.25 FTE), is responsible for guiding the development of the Rent Program agency and managing day-to-day operations. The Senior Administrative Analyst supports the Executive Director with confidential matters of the Rent Program and administers full collaboration with the Rent Board. The Management Unit also conducts policy research to support the agency and Rent Board, which includes conducting surveys and studies to help guide administrative improvements and the formation of sound public policy. The Management Unit oversees all personnel-related issues (hiring, training, discipline in conformance with MOU's, etc.) Other duties include providing staff support to the Rent Board, including but not limited to the preparation of agendas, minutes, and documents for all Rent Board meetings. Central to the Management Unit's duties are preparation, monitoring, and reporting of the annual Rent Program budget. The Management Unit also publishes the Rent Program Annual Report, required by the Rent Ordinance.

Legal Unit (2.25 FTE)

The Legal Unit includes Staff Attorneys (2 FTE) and a Senior Administrative Analyst (0.25 FTE). The duties of the Legal Unit include representing the Board in litigation, advising the Director and the Rent Board on legal matters (this may include the preparation of Confidential Legal Memoranda and ensuring compliance with Brown Act requirements, reviewing and opining on decisions on appeal, coordinating responses to public records act requests, training Rent Program Services Analysts, supervising investigations and lawsuits for non-compliance, reviewing contracts, and responding to legal challenges to the Ordinance and applicable regulations. Staff members in the Legal Unit are also responsible for drafting regulations for consideration by the Rent Board and establishing processes to monitor rent increase and termination notices in accordance with the requirements of the Rent Ordinance.

Public Information and Enrollment Unit (6.75 FTE)

The Public Information and Enrollment Unit, comprised of a Senior Rent Program Services Analyst, Administrative Aides (3 FTE), Rent Program Services Analysts (2 FTE) and Administrative Student Intern (0.75 FTE), is responsible for educating community members about Landlord and Tenant rights and responsibilities under the Rent Ordinance, as well as related State and Federal laws. This includes maintenance of the agency's property enrollment and tenancy registration database. The enrollment and tenancy registration database is an essential tool used to generate accurate Rental Housing Fee invoices, track the Maximum Allowable Rent for Controlled Rental Units, and manage contact and case information for all Rental Units in the City of Richmond. Public Information and Enrollment Unit staff members are responsible for planning and executing the annual billing cycle of the Rental Housing Fee and managing the collection of revenue, including late fees. Community education is provided in the form of one-on-one counseling, facilitating mediation sessions, drafting print materials such as the Guide to Rent Control, and providing direct referrals to community legal services agencies. Staff members in this unit also plan, prepare, and conduct monthly community educational workshops for Landlords and Tenants, maintain

the agency's social media accounts, and assist Landlords and Tenants with the filing of Rent Adjustment Petitions.

Hearings Unit (1.75 FTE)

The Hearings Unit consists of a Hearing Examiner, who is supported by a Senior Administrative Analyst (0.5 FTE) and an Administrative Student Intern (0.25 FTE). The main functions of the Hearings Unit include administering the petition process, conducting hearings, and issuing decisions, conducting settlement conferences, acting as a back-up resource on interpretation of the Rent Ordinance and regulations, assisting with drafting public information documents such as the Guide to Rent Control and other print and online materials and maintaining all forms required for administration of the Rent Adjustment Petition process. Staff members in the Hearings Unit also assist with special projects, such as working with City staff to develop rent registration/tracking software to adjust rents in the Maximum Allowable Rent database.

VI. APPENDICES

Appendix A: Adopted FY 2022-23 Budget and Fee Study Calculations

Appendix B: Ten-year Financial Projection

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