



**SPECIAL MEETING OF THE RENT BOARD OF THE CITY OF RICHMOND**

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

**AGENDA  
Monday, May 8, 2023**

***Link to Rent Board Meeting Agendas and Accompanying Materials:***  
[www.ci.richmond.ca.us/3375/Rent-Board](http://www.ci.richmond.ca.us/3375/Rent-Board)

**Boardmembers**

Sara Cantor  
Elaine Dockens  
Tomasa Espinoza  
Karina Guadalupe  
Jim Hite

**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](mailto:cyntha_shaw@ci.richmond.ca.us) and [rent@ci.richmond.ca.us](mailto: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.

***This page intentionally left blank***

## **SPECIAL 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. WELCOME AND INTRODUCTIONS**
- F. SWEARING IN OF NEW BOARDMEMBERS**
- G. ELECT CHAIR AND VICE CHAIR**
- H. PUBLIC FORUM**
- I. BROWN ACT TRAINING**
- J. CONFLICT OF INTEREST TRAINING**
- K. AGENDIZING ITEMS & STAFF ROLES**
- L. APPEALS TRAINING**
- M. RENT BOARD AS A WHOLE**

- M-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.

*Nicolas Traylor  
Fred Tran*

- N. REPORTS OF OFFICERS/SCHEDULING**
- O. ADJOURNMENT**

Monday, May 8, 2023

***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](http://www.richmondrent.org).***

# AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: May 8, 2023

Final Decision Date Deadline: May 8, 2023

**STATEMENT OF THE ISSUE:** Legislative bodies in the State of California must adhere to the Ralph M. Brown Act, found in Section 54950-54963 of the California Government Code. Education regarding the Ralph M. Brown Act is necessary for all members of the Rent Board. Additionally, because the Rent Board is a legislative body, to conduct its business in a consistent and fair manner, it is important to be familiar with Rosenberg's Rules of Order. To ensure efficiency and compliance with the Brown Act, staff members intend to bi-annually provide Board members with training in both the Brown Act and Rosenberg's Rules of Order.

## 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>Training</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 training on the Brown Act and Rosenberg's Rules of Order (Nicolas Traylor/Charles Oshinuga 620-6564).

AGENDA ITEM NO:  
**I.**

***This page intentionally left blank***



# AGENDA REPORT

**DATE:** May 8, 2023  
**TO:** Members of the Rent Board  
**FROM:** Charles Oshinuga, General Counsel  
**SUBJECT:** BROWN ACT AND RULES OF ROSENBERG TRAINING

## **STATEMENT OF THE ISSUE:**

Legislative bodies in the State of California must adhere to the Ralph M. Brown Act, found in Section 54950-54963 of the California Government Code. Education regarding the Ralph M. Brown Act is necessary for all members of the Rent Board. Additionally, because the Rent Board is a legislative body, to conduct its business in a consistent and fair manner, it is important to be familiar with Rosenberg's Rules of Order. To ensure efficiency and compliance with the Brown Act, staff members intend to bi-annually provide Board members with training in both the Brown Act and Rosenberg's Rules of Order.

## **RECOMMENDED ACTION:**

RECEIVE training on the Brown Act and Rosenberg's Rules of Order (Nicolas Traylor/Charles Oshinuga 620-6564).

## **FISCAL IMPACT:**

There is no fiscal impact related to this item.

## **DISCUSSION:**

Receive a PowerPoint and oral presentation on the Brown Act and Rosenberg's Rules of Order.

## **DOCUMENTS ATTACHED:**

Attachment 1 – Rosenberg Rules of Order simplified handout

Attachment 2 – Rosenberg Rules of Order materials

Attachment 3 – Richmond Rent Board Regulation 313

***This page intentionally left blank***

**ROSENBERG'S RULES OF ORDER  
CHEAT SHEET**

**ITEM I  
ATTACHMENT 1**

| To:                                    | You say:   | Interrupt Speaker | Second Needed | Debatable | Amendable | Vote Needed   |
|--|--|-------------------|---------------|-----------|-----------|---------------|
| Adjourn                                | "I move that we adjourn"<br>(Only needed prior to the end of the agenda)   | No                | Yes           | No        | No        | Majority      |
| Recess                                 | "I move that we recess until..."   | No                | Yes           | No        | Yes       | Majority      |
| Complain about noise, room temp., etc. | "Point of privilege"   | Yes               | No            | No        | No        | Chair Decides |
| Suspend further consideration of       | "I move that we table it"  | No                | Yes           | No        | No        | Majority      |
| End debate                             | "I move the previous question" or "Call the question"  | No                | Yes           | No        | No        | 2/3           |
| Postpone consideration of              | "I move we postpone this matter until..."  | No                | Yes           | Yes       | Yes       | Majority      |
| Introduce a motion                     | "I move that..." or "I move to..."   | No                | Yes           | Yes       | Yes       | Majority      |
| Amend a motion                         | "I move that this motion be amended by..." (You can also ask for a friendly amendment, which is less formal; if mover and second concur, no vote needed) | No                | Yes           | Yes       | Yes       | Majority      |
| Refer to a Committee                   | "I move that the question be referred to a committee for more study"   | No                | Yes           | Yes       | Yes       | Majority      |

The above listed motions and points are listed in established order of precedence. When any one of them is pending, you may not introduce another that is listed below, but you may introduce another that is listed above it.

| To:  | You say:   | Interrupt Speaker | Second Needed | Debatable               | Amendable | Vote Needed   |
|--|--|-------------------|---------------|-------------------------|-----------|---------------|
| Object to procedure or personal affront                    | "Point of order"   | Yes               | No            | No                      | No        | Chair decides |
| Request information  | "Point of information"   | Yes               | No            | No                      | No        | None          |
| Object to considering some undiplomatic or improper matter | "I object to consideration of this question"<br>(This would generally just be used if something is not on the agenda)                  | Yes               | No            | No                      | No        | 2/3           |
| Reconsider something already disposed of                   | "I move we now (or later) reconsider our action relative to..." (Only a member of the prevailing side can make a motion to reconsider) | Yes               | Yes           | Only if original motion | No        | Majority      |
| Vote on a ruling by the Chair                              | "I appeal the Chair's decision"  | Yes               | Yes           | Yes                     | No        | Majority      |

The motions, points and proposals listed above have no established order of preference; any of them may be introduced at any time except when meeting is considering one of the top three matters listed from the first chart (Motion to Adjourn, Recess or Point of Privilege).

***This page intentionally left blank***



# Rosenberg's Rules of Order

REVISED 2011

*Simple Rules of Parliamentary Procedure for the 21st Century*

*By Judge Dave Rosenberg*



## MISSION AND CORE BELIEFS

To expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

## VISION

To be recognized and respected as the leading advocate for the common interests of California's cities.

### About the League of California Cities

Established in 1898, the League of California Cities is a member organization that represents California's incorporated cities. The League strives to protect the local authority and autonomy of city government and help California's cities effectively serve their residents. In addition to advocating on cities' behalf at the state capitol, the League provides its members with professional development programs and information resources, conducts education conferences and research, and publishes Western City magazine.

© 2011 League of California Cities. All rights reserved.

### ABOUT THE AUTHOR

Dave Rosenberg is a Superior Court Judge in Yolo County. He has served as presiding judge of his court, and as presiding judge of the Superior Court Appellate Division. He also has served as chair of the Trial Court Presiding Judges Advisory Committee (the committee composed of all 58 California presiding judges) and as an advisory member of the California Judicial Council. Prior to his appointment to the bench, Rosenberg was member of the Yolo County Board of Supervisors, where he served two terms as chair. Rosenberg also served on the Davis City Council, including two terms as mayor. He has served on the senior staff of two governors, and worked for 19 years in private law practice. Rosenberg has served as a member and chair of numerous state, regional and local boards. Rosenberg chaired the California State Lottery Commission, the California Victim Compensation and Government Claims Board, the Yolo-Solano Air Quality Management District, the Yolo County Economic Development Commission, and the Yolo County Criminal Justice Cabinet. For many years, he has taught classes on parliamentary procedure and has served as parliamentarian for large and small bodies.

## TABLE OF CONTENTS

|  |    |
|--|----|
| About the Author .....                               | ii |
| Introduction .....                                   | 2  |
| Establishing a Quorum.....                           | 2  |
| The Role of the Chair.....                           | 2  |
| The Basic Format for an Agenda Item Discussion ..... | 2  |
| Motions in General.....                              | 3  |
| The Three Basic Motions.....                         | 3  |
| Multiple Motions Before the Body.....                | 4  |
| To Debate or Not to Debate.....                      | 4  |
| Majority and Super-Majority Votes .....              | 5  |
| Counting Votes.....                                  | 5  |
| The Motion to Reconsider.....                        | 6  |
| Courtesy and Decorum .....                           | 7  |
| Special Notes About Public Input .....               | 7  |

## INTRODUCTION

---

The rules of procedure at meetings should be simple enough for most people to understand. Unfortunately, that has not always been the case. Virtually all clubs, associations, boards, councils and bodies follow a set of rules — *Robert's Rules of Order* — which are embodied in a small, but complex, book. Virtually no one I know has actually read this book cover to cover. Worse yet, the book was written for another time and for another purpose. If one is chairing or running a parliament, then *Robert's Rules of Order* is a dandy and quite useful handbook for procedure in that complex setting. On the other hand, if one is running a meeting of say, a five-member body with a few members of the public in attendance, a simplified version of the rules of parliamentary procedure is in order.

Hence, the birth of *Rosenberg's Rules of Order*.

What follows is my version of the rules of parliamentary procedure, based on my decades of experience chairing meetings in state and local government. These rules have been simplified for the smaller bodies we chair or in which we participate, slimmed down for the 21st Century, yet retaining the basic tenets of order to which we have grown accustomed. Interestingly enough, *Rosenberg's Rules* has found a welcoming audience. Hundreds of cities, counties, special districts, committees, boards, commissions, neighborhood associations and private corporations and companies have adopted *Rosenberg's Rules* in lieu of *Robert's Rules* because they have found them practical, logical, simple, easy to learn and user friendly.

This treatise on modern parliamentary procedure is built on a foundation supported by the following four pillars:

1. **Rules should establish order.** The first purpose of rules of parliamentary procedure is to establish a framework for the orderly conduct of meetings.
2. **Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate.
3. **Rules should be user friendly.** That is, the rules must be simple enough that the public is invited into the body and feels that it has participated in the process.
4. **Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of rules of procedure is to encourage discussion and to facilitate decision making by the body. In a democracy, majority rules. The rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, while fully participating in the process.

### Establishing a Quorum

The starting point for a meeting is the establishment of a quorum. A quorum is defined as the minimum number of members of the body who must be present at a meeting for business to be legally transacted. The default rule is that a quorum is one more than half the body. For example, in a five-member body a quorum is three. When the body has three members present, it can legally transact business. If the body has less than a quorum of members present, it cannot legally transact business. And even if the body has a quorum to begin the meeting, the body can lose the quorum during the meeting when a member departs (or even when a member leaves the dais). When that occurs the body loses its ability to transact business until and unless a quorum is reestablished.

The default rule, identified above, however, gives way to a specific rule of the body that establishes a quorum. For example, the rules of a particular five-member body may indicate that a quorum is four members for that particular body. The body must follow the rules it has established for its quorum. In the absence of such a specific rule, the quorum is one more than half the members of the body.

### The Role of the Chair

While all members of the body should know and understand the rules of parliamentary procedure, it is the chair of the body who is charged with applying the rules of conduct of the meeting. The chair should be well versed in those rules. For all intents and purposes, the chair makes the final ruling on the rules every time the chair states an action. In fact, all decisions by the chair are final unless overruled by the body itself.

Since the chair runs the conduct of the meeting, it is usual courtesy for the chair to play a less active role in the debate and discussion than other members of the body. This does not mean that the chair should not participate in the debate or discussion. To the contrary, as a member of the body, the chair has the full right to participate in the debate, discussion and decision-making of the body. What the chair should do, however, is strive to be the last to speak at the discussion and debate stage. The chair should not make or second a motion unless the chair is convinced that no other member of the body will do so at that point in time.

### The Basic Format for an Agenda Item Discussion

Formal meetings normally have a written, often published agenda. Informal meetings may have only an oral or understood agenda. In either case, the meeting is governed by the agenda and the agenda constitutes the body's agreed-upon roadmap for the meeting. Each agenda item can be handled by the chair in the following basic format:

**First**, the chair should clearly announce the agenda item number and should clearly state what the agenda item subject is. The chair should then announce the format (which follows) that will be followed in considering the agenda item.

**Second**, following that agenda format, the chair should invite the appropriate person or persons to report on the item, including any recommendation that they might have. The appropriate person or persons may be the chair, a member of the body, a staff person, or a committee chair charged with providing input on the agenda item.

**Third**, the chair should ask members of the body if they have any technical questions of clarification. At this point, members of the body may ask clarifying questions to the person or persons who reported on the item, and that person or persons should be given time to respond.

**Fourth**, the chair should invite public comments, or if appropriate at a formal meeting, should open the public meeting for public input. If numerous members of the public indicate a desire to speak to the subject, the chair may limit the time of public speakers. At the conclusion of the public comments, the chair should announce that public input has concluded (or the public hearing, as the case may be, is closed).

**Fifth**, the chair should invite a motion. The chair should announce the name of the member of the body who makes the motion.

**Sixth**, the chair should determine if any member of the body wishes to second the motion. The chair should announce the name of the member of the body who seconds the motion. It is normally good practice for a motion to require a second before proceeding to ensure that it is not just one member of the body who is interested in a particular approach. However, a second is not an absolute requirement, and the chair can proceed with consideration and vote on a motion even when there is no second. This is a matter left to the discretion of the chair.

**Seventh**, if the motion is made and seconded, the chair should make sure everyone understands the motion.

This is done in one of three ways:

1. The chair can ask the maker of the motion to repeat it;
2. The chair can repeat the motion; or
3. The chair can ask the secretary or the clerk of the body to repeat the motion.

**Eighth**, the chair should now invite discussion of the motion by the body. If there is no desired discussion, or after the discussion has ended, the chair should announce that the body will vote on the motion. If there has been no discussion or very brief discussion, then the vote on the motion should proceed immediately and there is no need to repeat the motion. If there has been substantial discussion, then it is normally best to make sure everyone understands the motion by repeating it.

**Ninth**, the chair takes a vote. Simply asking for the “ayes” and then asking for the “nays” normally does this. If members of the body do not vote, then they “abstain.” Unless the rules of the body provide otherwise (or unless a super majority is required as delineated later in these rules), then a simple majority (as defined in law or the rules of the body as delineated later in these rules) determines whether the motion passes or is defeated.

**Tenth**, the chair should announce the result of the vote and what action (if any) the body has taken. In announcing the result, the chair should indicate the names of the members of the body, if any, who voted in the minority on the motion. This announcement might take the following form: “The motion passes by a vote of 3-2, with Smith and Jones dissenting. We have passed the motion requiring a 10-day notice for all future meetings of this body.”

## Motions in General

Motions are the vehicles for decision making by a body. It is usually best to have a motion before the body prior to commencing discussion of an agenda item. This helps the body focus.

Motions are made in a simple two-step process. First, the chair should recognize the member of the body. Second, the member of the body makes a motion by preceding the member’s desired approach with the words “I move . . .”

A typical motion might be: “I move that we give a 10-day notice in the future for all our meetings.”

The chair usually initiates the motion in one of three ways:

1. **Inviting the members of the body to make a motion**, for example, “A motion at this time would be in order.”
2. **Suggesting a motion to the members of the body**, “A motion would be in order that we give a 10-day notice in the future for all our meetings.”
3. **Making the motion**. As noted, the chair has every right as a member of the body to make a motion, but should normally do so only if the chair wishes to make a motion on an item but is convinced that no other member of the body is willing to step forward to do so at a particular time.

## The Three Basic Motions

There are three motions that are the most common and recur often at meetings:

**The basic motion.** The basic motion is the one that puts forward a decision for the body’s consideration. A basic motion might be: “I move that we create a five-member committee to plan and put on our annual fundraiser.”

**The motion to amend.** If a member wants to change a basic motion that is before the body, they would move to amend it. A motion to amend might be: “I move that we amend the motion to have a 10-member committee.” A motion to amend takes the basic motion that is before the body and seeks to change it in some way.

**The substitute motion.** If a member wants to completely do away with the basic motion that is before the body, and put a new motion before the body, they would move a substitute motion. A substitute motion might be: “I move a substitute motion that we cancel the annual fundraiser this year.”

“Motions to amend” and “substitute motions” are often confused, but they are quite different, and their effect (if passed) is quite different. A motion to amend seeks to retain the basic motion on the floor, but modify it in some way. A substitute motion seeks to throw out the basic motion on the floor, and substitute a new and different motion for it. The decision as to whether a motion is really a “motion to amend” or a “substitute motion” is left to the chair. So if a member makes what that member calls a “motion to amend,” but the chair determines that it is really a “substitute motion,” then the chair’s designation governs.

A “friendly amendment” is a practical parliamentary tool that is simple, informal, saves time and avoids bogging a meeting down with numerous formal motions. It works in the following way: In the discussion on a pending motion, it may appear that a change to the motion is desirable or may win support for the motion from some members. When that happens, a member who has the floor may simply say, “I want to suggest a friendly amendment to the motion.” The member suggests the friendly amendment, and if the maker and the person who seconded the motion pending on the floor accepts the friendly amendment, that now becomes the pending motion on the floor. If either the maker or the person who seconded rejects the proposed friendly amendment, then the proposer can formally move to amend.

### Multiple Motions Before the Body

There can be up to three motions on the floor at the same time. The chair can reject a fourth motion until the chair has dealt with the three that are on the floor and has resolved them. This rule has practical value. More than three motions on the floor at any given time is confusing and unwieldy for almost everyone, including the chair.

When there are two or three motions on the floor (after motions and seconds) at the same time, the vote should proceed *first* on the *last* motion that is made. For example, assume the first motion is a basic “motion to have a five-member committee to plan and put on our annual fundraiser.” During the discussion of this motion, a member might make a second motion to “amend the main motion to have a 10-member committee, not a five-member committee to plan and put on our annual fundraiser.” And perhaps, during that discussion, a member makes yet a third motion as a “substitute motion that we not have an annual fundraiser this year.” The proper procedure would be as follows:

**First**, the chair would deal with the *third* (the last) motion on the floor, the substitute motion. After discussion and debate, a vote would be taken first on the third motion. If the substitute motion *passed*, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be completed on the passage by the body of the third motion (the substitute motion). No vote would be taken on the first or second motions.

**Second**, if the substitute motion *failed*, the chair would then deal with the second (now the last) motion on the floor, the motion to amend. The discussion and debate would focus strictly on the amendment (should the committee be five or 10 members). If the motion to amend *passed*, the chair would then move to consider the main motion (the first motion) as *amended*. If the motion to amend *failed*, the chair would then move to consider the main motion (the first motion) in its original format, not amended.

**Third**, the chair would now deal with the first motion that was placed on the floor. The original motion would either be in its original format (five-member committee), or if *amended*, would be in its amended format (10-member committee). The question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

### To Debate or Not to Debate

The basic rule of motions is that they are subject to discussion and debate. Accordingly, basic motions, motions to amend, and substitute motions are all eligible, each in their turn, for full discussion before and by the body. The debate can continue as long as members of the body wish to discuss an item, subject to the decision of the chair that it is time to move on and take action.

There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire of the body to move on. The following motions are not debatable (that is, when the following motions are made and seconded, the chair must immediately call for a vote of the body without debate on the motion):

**Motion to adjourn.** This motion, if passed, requires the body to immediately adjourn to its next regularly scheduled meeting. It requires a simple majority vote.

**Motion to recess.** This motion, if passed, requires the body to immediately take a recess. Normally, the chair determines the length of the recess which may be a few minutes or an hour. It requires a simple majority vote.

**Motion to fix the time to adjourn.** This motion, if passed, requires the body to adjourn the meeting at the specific time set in the motion. For example, the motion might be: “I move we adjourn this meeting at midnight.” It requires a simple majority vote.

**Motion to table.** This motion, if passed, requires discussion of the agenda item to be halted and the agenda item to be placed on “hold.” The motion can contain a specific time in which the item can come back to the body. “I move we table this item until our regular meeting in October.” Or the motion can contain no specific time for the return of the item, in which case a motion to take the item off the table and bring it back to the body will have to be taken at a future meeting. A motion to table an item (or to bring it back to the body) requires a simple majority vote.

**Motion to limit debate.** The most common form of this motion is to say, “I move the previous question” or “I move the question” or “I call the question” or sometimes someone simply shouts out “question.” As a practical matter, when a member calls out one of these phrases, the chair can expedite matters by treating it as a “request” rather than as a formal motion. The chair can simply inquire of the body, “any further discussion?” If no one wishes to have further discussion, then the chair can go right to the pending motion that is on the floor. However, if even one person wishes to discuss the pending motion further, then at that point, the chair should treat the call for the “question” as a formal motion, and proceed to it.

When a member of the body makes such a motion (“I move the previous question”), the member is really saying: “I’ve had enough debate. Let’s get on with the vote.” When such a motion is made, the chair should ask for a second, stop debate, and vote on the motion to limit debate. The motion to limit debate requires a two-thirds vote of the body.

**NOTE:** A motion to limit debate could include a time limit. For example: “I move we limit debate on this agenda item to 15 minutes.” Even in this format, the motion to limit debate requires a two-thirds vote of the body. A similar motion is a *motion to object to consideration of an item*. This motion is not debatable, and if passed, precludes the body from even considering an item on the agenda. It also requires a two-thirds vote.

### Majority and Super Majority Votes

In a democracy, a simple majority vote determines a question. A tie vote means the motion fails. So in a seven-member body, a vote of 4-3 passes the motion. A vote of 3-3 with one abstention means the motion fails. If one member is absent and the vote is 3-3, the motion still fails.

All motions require a simple majority, but there are a few exceptions. The exceptions come up when the body is taking an action which effectively cuts off the ability of a minority of the body to take an action or discuss an item. These extraordinary motions require a two-thirds majority (a super majority) to pass:

**Motion to limit debate.** Whether a member says, “I move the previous question,” or “I move the question,” or “I call the question,” or “I move to limit debate,” it all amounts to an attempt to cut off the ability of the minority to discuss an item, and it requires a two-thirds vote to pass.

**Motion to close nominations.** When choosing officers of the body (such as the chair), nominations are in order either from a nominating committee or from the floor of the body. A motion to close nominations effectively cuts off the right of the minority to nominate officers and it requires a two-thirds vote to pass.

**Motion to object to the consideration of a question.** Normally, such a motion is unnecessary since the objectionable item can be tabled or defeated straight up. However, when members of a body do not even want an item on the agenda to be considered, then such a motion is in order. It is not debatable, and it requires a two-thirds vote to pass.

**Motion to suspend the rules.** This motion is debatable, but requires a two-thirds vote to pass. If the body has its own rules of order, conduct or procedure, this motion allows the body to suspend the rules for a particular purpose. For example, the body (a private club) might have a rule prohibiting the attendance at meetings by non-club members. A motion to suspend the rules would be in order to allow a non-club member to attend a meeting of the club on a particular date or on a particular agenda item.

### Counting Votes

The matter of counting votes starts simple, but can become complicated.

Usually, it’s pretty easy to determine whether a particular motion passed or whether it was defeated. If a simple majority vote is needed to pass a motion, then one vote more than 50 percent of the body is required. For example, in a five-member body, if the vote is three in favor and two opposed, the motion passes. If it is two in favor and three opposed, the motion is defeated.

If a two-thirds majority vote is needed to pass a motion, then how many affirmative votes are required? The simple rule of thumb is to count the “no” votes and double that count to determine how many “yes” votes are needed to pass a particular motion. For example, in a seven-member body, if two members vote “no” then the “yes” vote of at least four members is required to achieve a two-thirds majority vote to pass the motion.

What about tie votes? In the event of a tie, the motion always fails since an affirmative vote is required to pass any motion. For example, in a five-member body, if the vote is two in favor and two opposed, with one member absent, the motion is defeated.

Vote counting starts to become complicated when members vote “abstain” or in the case of a written ballot, cast a blank (or unreadable) ballot. Do these votes count, and if so, how does one count them? The starting point is always to check the statutes.

In California, for example, for an action of a board of supervisors to be valid and binding, the action must be approved by a majority of the board. (California Government Code Section 25005.) Typically, this means three of the five members of the board must vote affirmatively in favor of the action. A vote of 2-1 would not be sufficient. A vote of 3-0 with two abstentions would be sufficient. In general law cities in

California, as another example, resolutions or orders for the payment of money and all ordinances require a recorded vote of the total members of the city council. (California Government Code Section 36936.) Cities with charters may prescribe their own vote requirements. Local elected officials are always well-advised to consult with their local agency counsel on how state law may affect the vote count.

After consulting state statutes, step number two is to check the rules of the body. If the rules of the body say that you count votes of “those present” then you treat abstentions one way. However, if the rules of the body say that you count the votes of those “present and voting,” then you treat abstentions a different way. And if the rules of the body are silent on the subject, then the general rule of thumb (and default rule) is that you count all votes that are “present and voting.”

Accordingly, under the “present and voting” system, you would **NOT** count abstention votes on the motion. Members who abstain are counted for purposes of determining quorum (they are “present”), but you treat the abstention votes on the motion as if they did not exist (they are not “voting”). On the other hand, if the rules of the body specifically say that you count votes of those “present” then you **DO** count abstention votes both in establishing the quorum and on the motion. In this event, the abstention votes act just like “no” votes.

*How does this work in practice?*

*Here are a few examples.*

Assume that a five-member city council is voting on a motion that requires a simple majority vote to pass, and assume further that the body has no specific rule on counting votes. Accordingly, the default rule kicks in and we count all votes of members that are “present and voting.” If the vote on the motion is 3-2, the motion passes. If the motion is 2-2 with one abstention, the motion fails.

Assume a five-member city council voting on a motion that requires a two-thirds majority vote to pass, and further assume that the body has no specific rule on counting votes. Again, the default rule applies. If the vote is 3-2, the motion fails for lack of a two-thirds majority. If the vote is 4-1, the motion passes with a clear two-thirds majority. A vote of three “yes,” one “no” and one “abstain” also results in passage of the motion. Once again, the abstention is counted only for the purpose of determining quorum, but on the actual vote on the motion, it is as if the abstention vote never existed — so an effective 3-1 vote is clearly a two-thirds majority vote.

Now, change the scenario slightly. Assume the same five-member city council voting on a motion that requires a two-thirds majority vote to pass, but now assume that the body **DOES** have a specific rule requiring a two-thirds vote of members “present.” Under this specific rule, we must count the members present not only for quorum but also for the motion. In this scenario, any abstention has the same force and effect as if it were a “no” vote. Accordingly, if the votes were three “yes,” one “no” and one “abstain,” then the motion fails. The abstention in this case is treated like a “no” vote and effective vote of 3-2 is not enough to pass two-thirds majority muster.

Now, exactly how does a member cast an “abstention” vote?

Any time a member votes “abstain” or says, “I abstain,” that is an abstention. However, if a member votes “present” that is also treated as an abstention (the member is essentially saying, “Count me for purposes of a quorum, but my vote on the issue is abstain.”) In fact, any manifestation of intention not to vote either “yes” or “no” on the pending motion may be treated by the chair as an abstention. If written ballots are cast, a blank or unreadable ballot is counted as an abstention as well.

Can a member vote “absent” or “count me as absent?” Interesting question. The ruling on this is up to the chair. The better approach is for the chair to count this as if the member had left his/her chair and is actually “absent.” That, of course, affects the quorum. However, the chair may also treat this as a vote to abstain, particularly if the person does not actually leave the dais.

### The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself; the motion to reconsider. A tenet of parliamentary procedure is finality. After vigorous discussion, debate and a vote, there must be some closure to the issue. And so, after a vote is taken, the matter is deemed closed, subject only to reopening if a proper motion to consider is made and passed.

A motion to reconsider requires a majority vote to pass like other garden-variety motions, but there are two special rules that apply only to the motion to reconsider.

First, is the matter of timing. A motion to reconsider must be made at the meeting where the item was first voted upon. A motion to reconsider made at a later time is untimely. (The body, however, can always vote to suspend the rules and, by a two-thirds majority, allow a motion to reconsider to be made at another time.)

Second, a motion to reconsider may be made only by certain members of the body. Accordingly, a motion to reconsider may be made only by a member who voted in the majority on the original motion. If such a member has a change of heart, he or she may make the motion to reconsider (any other member of the body — including a member who voted in the minority on the original motion — may second the motion). If a member who voted in the minority seeks to make the motion to reconsider, it must be ruled out of order. The purpose of this rule is finality. If a member of minority could make a motion to reconsider, then the item could be brought back to the body again and again, which would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the body, and a new original motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

## Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to business efficiently, fairly and with full participation. At the same time, it is up to the chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the chair before proceeding to speak.

The chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the body. Debate on policy is healthy, debate on personalities is not. The chair has the right to cut off discussion that is too personal, is too loud, or is too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the chair may, however, limit the time allotted to speakers, including members of the body.

Can a member of the body interrupt the speaker? The general rule is “no.” There are, however, exceptions. A speaker may be interrupted for the following reasons:

**Privilege.** The proper interruption would be, “point of privilege.” The chair would then ask the interrupter to “state your point.” Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person’s ability to hear.

**Order.** The proper interruption would be, “point of order.” Again, the chair would ask the interrupter to “state your point.” Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

**Appeal.** If the chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the chair is deemed reversed.

**Call for orders of the day.** This is simply another way of saying, “return to the agenda.” If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the chair discovers that the agenda has not been followed, the chair simply reminds the body to return to the agenda item properly before them. If the chair fails to do so, the chair’s determination may be appealed.

**Withdraw a motion.** During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.

## Special Notes About Public Input

The rules outlined above will help make meetings very public-friendly. But in addition, and particularly for the chair, it is wise to remember three special rules that apply to each agenda item:

**Rule One:** Tell the public what the body will be doing.

**Rule Two:** Keep the public informed while the body is doing it.

**Rule Three:** When the body has acted, tell the public what the body did.



1400 K Street, Sacramento, CA 95814  
(916) 658-8200 | Fax (916) 658-8240  
[www.cacities.org](http://www.cacities.org)

To order additional copies of this publication, call (916) 658-8200.

\$10

© 2011 League of California Cities. All rights reserved.

♻️ Printed on recycled paper.

**313. Rules of Debate**

- A. Getting the Floor. Every Rent Boardmember desiring to speak shall first address the Chair, gain recognition by the Presiding Officer, and shall confine their remarks to the question under debate.
- B. Questions to Staff. Every Rent Boardmember desiring to question Board staff shall, after recognition by the Presiding Officer, address his/her questions to the Executive Director, the Deputy Director, the Rent Board's counsel, or any staff member then present on the dais. If either the Executive Director or the Rent Board's counsel feels another staff member who is not located on the dais could best respond to the Boardmember's question, he or she may direct the question to a member of his/her staff in the audience for that purpose.
- C. Interruptions. A Boardmember, once recognized, shall not be interrupted when speaking unless:
  - 1. Called to order by the Presiding Officer;
  - 2. a point of order, point of information, or of personal privilege is raised by another Boardmember; or
  - 3. the speaker chooses to yield to a question by another Boardmember.
- D. Points of Order. The Presiding Officer shall determine all points of order subject to the right of any Rent Boardmember to appeal to the Board. Appropriate points of order relate to anything that would not be considered appropriate procedural conduct of a meeting. If an appeal is taken, the question shall be, "Shall the decision of the Presiding Officer be sustained?" A majority vote shall conclusively determine such question of order.
- E. Point of Personal Privilege. The right of a Rent Boardmember to address the Board on a question of personal privilege shall be limited to those issues that would interfere with the normal comfort of the meeting.
- F. Calling the Question. Rent Boardmembers may move to end debate on individual items. However, neither the moving party nor the party seconding any motion is permitted to call for the question.
- G. Motion to Reconsider. A motion to reconsider any action taken by the Board may be made only by a Rent Boardmember of the prevailing side and may be made only on the same day the action is taken and shall have precedence over all other motions or while a member has the floor and said motion shall be debatable.

**ITEM I  
ATTACHMENT 3**

- H. Limitation of Debate. No Boardmember shall be allowed to speak more than once upon any particular subject until every other Boardmember desiring to do so shall have spoken. Each Boardmember speaking on any item on the agenda shall be limited to ten (10) minutes per item to state his/her opinion and his/her views.
  
- I. Continue or Table a Matter. Any Rent Boardmember may move to table or continue an agenda item that is currently being discussed. If a Rent Boardmember makes said motion, the motion must contain a specific reference as to when the agenda item will come back to the body.
  
- J. Recess. Any Rent Boardmember may move the Board to take a recess. If the motion passes, the chair shall determine the length of the recess.
  
- K. Adjourn. Any Rent Boardmember may move the Board to adjourn. If passed, the Board must immediately adjourn to the next regularly scheduled meeting.
  
- L. Close Nomination. When choosing a presiding officer, a Rent Boardmember may make a motion to close nomination. Where such a motion is passed, no further Rent Boardmembers may be nominated.
  
- M. Suspension of the Rules. Any Rent Boardmember may move to suspend the rules for a particular purpose. The suspensions of the rules permit Rent Boardmembers to deviate from the rules or regulations that guide particular procedures and conduct of Rent Board meetings.

# AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: May 8, 2023

Final Decision Date Deadline: May 8, 2023

**STATEMENT OF THE ISSUE:** Legislative bodies in the State of California must adhere to the Political Reform Act, codified in Government Code Section 87100, et.seq., and administered by the Fair Political Practices. Education regarding the Political Reform Act is necessary for all members of the Rent Board because it ensures the propriety of Board action by eliminating financial conflicts of interest in the decision-making process. To ensure Board efficiency and compliance, staff members intend to annually provide Board members training in the Political Reform Act.

## 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>Training</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 training on the Fair Political Practices Commission (Nicolas Traylor/Charles Oshinuga 620-6564).

AGENDA ITEM NO:  
**J.**

***This page intentionally left blank***



# AGENDA REPORT

**DATE:** May 8, 2023  
**TO:** Members of the Rent Board  
**FROM:** Charles Oshinuga, General Counsel  
**SUBJECT:** POLITICAL REFORM ACT & FAIR POLITICAL PRACTICES COMMISSION

**STATEMENT OF THE ISSUE:**

Legislative bodies in the State of California must adhere to the Political Reform Act, codified in Government Code Section 87100, et.seq., and administered by the Fair Political Practices. Education regarding the Political Reform Act is necessary for all members of the Rent Board because it ensures the propriety of Board action by eliminating financial conflicts of interest in the decision-making process. To ensure Board efficiency and compliance, staff members intend to annually provide Board members training in the Political Reform Act.

**RECOMMENDED ACTION:**

RECEIVE training on the Fair Political Practices Commission (Nicolas Traylor/Charles Oshinuga 620-6564).

**FISCAL IMPACT:**

There is no fiscal impact related to this item.

**DISCUSSION:**

Receive a PowerPoint and oral presentation on the Fair Political Practices Commission.

**DOCUMENTS ATTACHED:**

None

***This page intentionally left blank***

# AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: May 8, 2023

Final Decision Date Deadline: May 8, 2023

**STATEMENT OF THE ISSUE:** It is vital for any functioning governmental body to be able to adequately voice its opinions and explore the issues it deems important. Therefore, staff will give the Rent Board a training that will provide a broad overview of how to agendize an item, when to agendize an item, and the appropriate substance of an agenda item.

## 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>Training</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 training on agenda scheduling and appropriate content of said agenda. (Nicolas Traylor/Charles Oshinuga 620-6564).

AGENDA ITEM NO:  
**K.**

***This page intentionally left blank***



# AGENDA REPORT

**DATE:** May 8, 2023

**TO:** Members of the Rent Board

**FROM:** Charles Oshinuga, General Counsel

**SUBJECT:** PLACING ITEMS ON AN AGENDA AND STAFF ROLE

**STATEMENT OF THE ISSUE:**

It is vital for any functioning governmental body to be able to adequately voice its opinions and explore the issues it deems important. Therefore, staff will give the Rent Board a training that will provide a broad overview of how to agendize an item, when to agendize an item, and the appropriate substance of an agenda item.

**RECOMMENDED ACTION:**

RECEIVE training on agenda scheduling and appropriate content of said agenda. (Nicolas Traylor/Charles Oshinuga 620-6564).

**FISCAL IMPACT:**

There is no fiscal impact related to this item.

**DISCUSSION:**

Receive a PowerPoint and oral presentation on agendizing an item and appropriate content to include in an agenda.

**DOCUMENTS ATTACHED:**

Attachment 1- Regulation Chapter 3

***This page intentionally left blank***

### **Chapter 3: RENT BOARD**

#### **300. Purpose**

The purpose of this Chapter is to ensure consistency and predictability during Rent Board meetings by creating a framework in which Rent Boardmembers will conduct the business of the public in adherence with existing State law.

#### **301. Boardmember Qualifications**

- A. Consistent with both City of Richmond Municipal Code Section 11.100 et.seq, and the City of Richmond Charter, the Mayor and City Council are vested with the power to both appoint and remove Boardmembers. The Rent Board shall consist of five (5) Boardmembers, all of whom must maintain Richmond residency during their tenure.
- B. There shall not be more than two Boardmembers serving on the Board that either own or manage any rental property or are realtors.

#### **301.5. Expiration of Term**

- A. Where a Rent Boardmember's term has expired, that member shall continue to discharge their duties until they are either reappointed, or their successor is appointed.
- B. In the event that a Rent Boardmember who continued to discharge their duties after the expiration of their term is reappointed, the time during which they continued to discharge their duties while awaiting reappointment shall be counted against their overall two-year term.
- C. In no event shall a Rent Board member serve a total of five (5) terms.

*[Adopted February 17, 2021]*

#### **302. Election of Chairperson**

The members of the Rent Board shall elect from among themselves a Chair and Vice Chair for a term not to exceed one year. The election of the Chair and Vice Chair requires a majority vote. At the end of the Chair and Vice Chair term, neither person will be eligible to hold the same position until at least one year after the expiration of their chairship. The election of the Chair and Vice Chair must be held at a properly agendized, Regular Rent Board meeting.

#### **303. Rent Board Motions**

All Rent Board motions taken at a properly agendized Rent Board meeting requires the affirmative vote of three (3) Rent Boardmembers. All decisions by the Rent Board shall be recorded by roll call vote and a record of such action shall be available to the public.

**304. Quorum**

Three (3) Boardmembers shall constitute a quorum of the Board.

**305. Agenda**

The Rent Board clerk shall compile the agenda. The agenda, with all supporting matters, shall be transmitted to the Boardmembers and be available to the public at least seventy-two (72) hours prior to the regularly scheduled Board Meeting, unless specified otherwise by state law. Any item of public interest or concern added to the agenda after its publication to the general public shall not be considered unless it is accompanied by a full explanation by the advocate of such item and not until after a majority of the Board has voted to do so.

**306. Time and Place for Holding Regular Meeting**

The City of Richmond Rent Board shall hold regularly scheduled meetings as are necessary to ensure the timely performance of its duties under the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance. At the minimum, the Rent Board must hold at least one (1) meeting per year. All meetings shall be called and conducted in accordance with state law. Accordingly:

- A. The City of Richmond Rent Board hereby establishes regular meetings to be held on the third Wednesday of each month at 5:00 P.M., unless the agenda includes a closed-session item, in which case the regular meeting shall commence at the conclusion of closed session. If any such Wednesday falls on any day designated by law or by the City Council as a holiday or City closure, or if a change in the date for a regular meeting is reasonably necessary for the Board to perform its duties, the Board shall give the public reasonable notice of the alternative date for the regular meeting.
- B. The City Council Chamber in City Hall located at 440 Civic Center Plaza, Richmond, California, is established as the location for holding the Rent Board's meetings. If, for any reason, the City Council Chamber is unavailable for a particular regular meeting, the Board shall give the public reasonable notice of the alternative site of the meeting in its published agenda. If, however, the City Council Chamber becomes permanently unavailable, the Board shall, with reasonable notice, amend this regulation to set forth the new location(s) of its regular meetings, in its published agenda.

**307. Meetings must be Public -- Exception for Closed Sessions**

In accordance with the Brown Act, all regular, adjourned regular, and special meetings of the Rent Control Board shall be public except that the Rent Board may hold Closed Sessions during a regular or special meeting, from which the public may be excluded, for the purpose of considering the matters referred to in §§54956.7-54957.10 of the California Government Code relating to Closed Sessions of the legislative body, or pursuant to other provisions of law.

**308. Rent Board Correspondence**

- A. The Rent Board Clerk is authorized to open all mail or other written communications addressed collectively to the Rent Board and to give it immediate attention so that all administrative business referred to in said communication which does not necessarily require Rent Board action may be acted upon.
  
- B. All written communications addressed to the Rent Board, the subject matter of which comes within the Rent Board, shall be placed on the agenda of the earliest regular meeting if the Executive Director deems Board receipt appropriate, except for those written communication containing material which:
  - 1. is profane;
  - 2. is in the nature of a criminal or civil slander, or is potentially slanderous or libelous;
  - 3. advocates or opposes the candidacy of any person or party for any elective office;
  - 4. is primarily an advertisement or promotion or has as a substantial purpose the advancement of any cause the major benefit of which is private and not public; or
  - 5. does not necessitate Board action.
  
- C. Written communications addressed to individual Boardmembers shall not be opened by the Rent Board Clerk unless authorized to do so by individual Boardmembers. Such communications shall not become public records until received and filed by the Board at a regular, special or adjourned meeting of the Board, or retained or used as provided in §6250 of the California Government Code.
  
- D. Written communication received by the Rent Board Clerk after the deadline to publish the agenda shall not be placed on that agenda unless it concerns a matter to be considered by the Board at the upcoming regular meeting and is determined by the Rent Board Clerk to be an urgent matter which should be brought to the immediate attention of the Board. If it is determined that the communication must be placed on the agenda, Rent Board staff shall amend the agenda, to include the written communication.
  
- E. Written communications received by the Rent Board shall not be read aloud at a Board Meeting unless requested by a majority vote of the Board. No item which is exempted by §6254 of the California Government Code shall be disclosed or treated as a public record.

**309. Order of Business**

- A. The Board will ordinarily consider and dispose of its business in the following order, unless otherwise specified by the Board:
  - 1. Call to Order. The Chair will call the meeting to order, and the Rent Board Clerk will call the roll.

2. Closed Session. The Board will recess to closed session to consider items on the closed-session agenda.
3. Reconvene to Open Session. The Chair will call the open session to order and invite the Rent Board and public to salute the flag.
4. Report of Closed Session. The Staff Attorney will provide a report of the Rent Board's closed session.
5. Roll Call. The Rent Board Clerk will call roll of the Boardmembers and shall announce for the record the names of the absent Boardmember(s). If a Boardmember has been recorded as absent, but later arrives at the meeting, the Rent Board Clerk shall announce that Boardmembers and the time of arrival for the record.
6. Statement of Conflict of Interest. The Rent Board Clerk will inquire as to whether any Rent Boardmember has a conflict of interest as it relates to any of the items appearing on that meeting's agenda.
7. Agenda Review. The Rent Board Chair or one serving in the Chair's capacity will inquire as to whether Rent Boardmembers and/or Rent Board staff would like to make changes to the agenda.
8. Swearing in New Boardmembers. Where applicable, the Rent Board Clerk will swear-in new Boardmembers at the first meeting they appear.
9. Electing Chair and Vice-Chair. Where applicable, the Rent Boardmembers will elect a Chair and Vice-Chair consistent with Regulation 302 of this Chapter.
10. Special Agenda Items. The Chair or any member of the Board, may make relevant announcements, present commendations or awards, introduce special guests, or conduct other brief business of a like nature.
11. Public Forum. Members of the public will be given the opportunity to directly address the Board on any item of interest to the public that is within the Board's subject-matter jurisdiction; however, members of the public wishing to address the Board on specific agenda items should address the Board on those items when they are under consideration by the Board. All speakers must complete and file a speaker's card with Rent Board 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.
12. Rent Board Consent Calendar. The Rent Board will consider all consent items as a group by a single motion to approve the consent calendar. Because the consent calendar includes only items of a noncontroversial nature that do not require a public hearing such as receiving reports, approving minutes or making technical, non-substantive changes to regulations, the title to the individual consent items

will not be read unless a request to do so is made by a member of the Board. Public discussion by the Rent Board is permitted only if the item is removed from the consent agenda and a specific request to be heard is made.

13. Continued Business. The Rent Board will consider any unconcluded items from previous Board Meeting agendas.
14. Appeals. The Rent Board will hear matters in which the Board is required to make a decision concerning an appeal.
15. Administrative Items, Including Regulations. The Rent Board will consider issues placed on the agenda by the Rent Program staff members, including those items placed on the agenda on behalf of non-Rent Program staff members.
16. Reports of Officers. The Executive Director and/or Deputy Director may share relevant news or updates to the Rent Board as it relates to the Rent Program or Rent Board's course of business.
17. Adjournment. The Rent Board will adjourn, and will remain adjourned until its next regularly scheduled meeting unless an emergency or special meeting is called before the next regularly-scheduled meeting.

- B. The Rent Board may alter the order of its agenda for an individual meeting, except the call to order and adjournment, by a majority vote.

### **310. Preparation of Minutes**

The Rent Board Clerk shall have exclusive responsibility for preparation of the minutes, and any directions for changes in the minutes shall be made only by a majority action of the Rent Board.

### **311. Presiding Officer**

The Chair shall be the Presiding Officer at all meetings of the Rent Board. In the absence of the Chair, the Vice-Chair shall preside. In the absence of both the Chair and the Vice-Chair, the Rent Board Clerk shall call the Rent Board to order whereupon a temporary Presiding Officer shall be elected by a majority of the Boardmembers present to serve until the arrival of the Chairperson or Vice Chairperson or until adjournment.

### **312. Powers and Duties of Presiding Officer**

- A. Duties. The Presiding Officer shall preserve order at all regular, adjourned regular, and special meetings of the Board. Such officer shall state each agenda item or question coming before the Board, announce the decisions of the Board on all subjects, and decide all questions of order.
- B. Signing of Documents. The Presiding Officer shall sign all Resolutions and other documents necessitating their signature which were adopted in their presence, unless they are unavailable, in which case the signature of the alternate Presiding Officer may be used.

- C. Sworn Testimony. Where appropriate, the Presiding Officer may require any person addressing the Board to be sworn as a witness and to testify under oath, and the Presiding Officer shall so require if directed to do so by a majority vote of the Board. Any member of the Board may request that anyone appearing before the Board on any matter shall be sworn.
- D. Subpoena. The Rent Board may, through the Presiding Officer, compel the attendance of witnesses, to examine them under oath, and to compel the production of evidence before it.

**313. Rules of Debate**

- A. Getting the Floor. Every Rent Boardmember desiring to speak shall first address the Chair, gain recognition by the Presiding Officer, and shall confine their remarks to the question under debate.
- B. Questions to Staff. Every Rent Boardmember desiring to question Board staff shall, after recognition by the Presiding Officer, address his/her questions to the Executive Director, the Deputy Director, the Rent Board's counsel, or any staff member then present on the dais. If either the Executive Director or the Rent Board's counsel feels another staff member who is not located on the dais could best respond to the Boardmember's question, he or she may direct the question to a member of his/her staff in the audience for that purpose.
- C. Interruptions. A Boardmember, once recognized, shall not be interrupted when speaking unless:
  - 1. Called to order by the Presiding Officer;
  - 2. a point of order, point of information, or of personal privilege is raised by another Boardmember; or
  - 3. the speaker chooses to yield to a question by another Boardmember.
- D. Points of Order. The Presiding Officer shall determine all points of order subject to the right of any Rent Boardmember to appeal to the Board. Appropriate points of order relate to anything that would not be considered appropriate procedural conduct of a meeting. If an appeal is taken, the question shall be, "Shall the decision of the Presiding Officer be sustained?" A majority vote shall conclusively determine such question of order.
- E. Point of Personal Privilege. The right of a Rent Boardmember to address the Board on a question of personal privilege shall be limited to those issues that would interfere with the normal comfort of the meeting.
- F. Calling the Question. Rent Boardmembers may move to end debate on individual items. However, neither the moving party nor the party seconding any motion is permitted to

call for the question.

- G. Motion to Reconsider. A motion to reconsider any action taken by the Board may be made only by a Rent Boardmember of the prevailing side and may be made only on the same day the action is taken and shall have precedence over all other motions or while a member has the floor and said motion shall be debatable.
- H. Limitation of Debate. No Boardmember shall be allowed to speak more than once upon any particular subject until every other Boardmember desiring to do so shall have spoken. Each Boardmember speaking on any item on the agenda shall be limited to ten (10) minutes per item to state his/her opinion and his/her views.
- I. Continue or Table a Matter. Any Rent Boardmember may move to table or continue an agenda item that is currently being discussed. If a Rent Boardmember makes said motion, the motion must contain a specific reference as to when the agenda item will come back to the body.
- J. Recess. Any Rent Boardmember may move the Board to take a recess. If the motion passes, the chair shall determine the length of the recess.
- K. Adjourn. Any Rent Boardmember may move the Board to adjourn. If passed, the Board must immediately adjourn to the next regularly scheduled meeting.
- L. Close Nomination. When choosing a presiding officer, a Rent Boardmember may make a motion to close nomination. Where such a motion is passed, no further Rent Boardmembers may be nominated.
- M. Suspension of the Rules. Any Rent Boardmember may move to suspend the rules for a particular purpose. The suspensions of the rules permit Rent Boardmembers to deviate from the rules or regulations that guide particular procedures and conduct of Rent Board meetings.

### **314. Rules of Order**

Except as otherwise provided in this Chapter or by law, the procedures of this Board shall be governed by the latest revised edition of Rosenberg's Rules of Order.

### **315. Failure to Observe Rules of Order**

Rules under this Chapter are deemed to be procedural only and the failure to strictly observe such rules shall not affect the jurisdiction of the Board or invalidate any action taken at a meeting that is otherwise lawful.

**316. Voting Procedure**

Any vote of the Board, including a roll call vote, may be registered by the members by answering "AYE" or "YES" for an affirmative vote or "NO" for a negative vote upon their name being called by the Rent Board Clerk. Unless a member of the Board states that they are not voting, silence shall be recorded as an affirmative vote.

**317. Disqualification for Conflict of Interest**

Pursuant to the conflict of interest code adopted by the City of Richmond in accordance with Government Code Section 87300, all Rent Boardmembers shall disclose all present holdings and interests in real property, including interests in corporations, trusts, or other entities with real property holdings, in accordance with applicable state law.

- A. Any Rent Boardmember who is disqualified from voting on a particular matter by reason of a conflict of interest shall publicly state or have the Presiding Officer state the nature of such disqualification in an open meeting.
- B. Where no thoroughly disqualifying conflict of interest appears, the matter of disqualification may, at the request of the Rent Boardmember affected, be decided by other Rent Boardmembers.
- C. A Rent Boardmember who is disqualified by reason of conflict of interest in any matter shall not remain in their seat during the debate and shall not vote on such matter, but shall request and be given the permission of the Presiding Officer to step down from the dais and leave the Council Chamber or other room where the meeting is held.
- D. A Rent Boardmember stating such disqualification shall not be counted as part of a quorum and shall be considered absent for the purpose of determining the outcome of any vote on such matter.

**318. Impartiality**

Where the Rent Board sits as an adjudicative body to hear matters that fall within its jurisdiction, those members must strive to uphold the integrity of the Rent Board by avoiding impropriety and the appearance of impropriety. Thus, Rent Boardmembers must strive to perform their duties in adjudicating matters that fall within its jurisdiction in a fashion that is impartial, competent, and diligent. To that end, no Rent Boardmember may participate in the consideration or decision of any adjudicative matter in which such person has any personal interest, including equity interest, financial interest, an interest as a landlord, tenant, or management person, or is related by blood or marriage or adoption to a landlord or tenant involved. For the purposes of this Chapter, a personal interest is one where a Boardmember has a vested interest in the outcome of a matter thereby impairing their ability to evaluate the matter impartially. Where issues of partiality arise,

Rent Boardmembers shall treat such partiality as a conflict of interest and adhere to Regulation 317, as it relates to disclosure and recusal.

**319. Failure to Vote**

Every Rent Boardmember is entitled to vote unless disqualified by reason of conflict of interest.

**320. Tie Vote**

Tie votes shall be lost motions and may be reconsidered.

**321. Changing Vote**

A member may change their vote only if they make a timely request to do so immediately following the announcement of the vote by the Rent Board Clerk and prior to the time that the next item in the order of business is taken up.

**322. Consideration of Agenda Items**

- A. The Board will ordinarily consider agenda items in the following order, unless otherwise specified by the Board:
  - a. The Rent Board Clerk or Presiding Officer will read the title of the agenda item to be considered.
  - b. A report will be presented by staff, if called for by the Presiding Officer.
  - c. Rent Boardmembers may ask questions of staff.
  - d. The Presiding Officer will call for public comment public
  - e. After all members of the public wishing to address the Board have done so, the Presiding Officer will announce the close of discussion by the public.
  - f. The Board may publicly deliberate.
  - g. A Rent Boardmember may make a motion, or the Presiding Officer may ask for a motion. If the motion is seconded, the motion is before the Board.
  - h. The Board may discuss the motion that is before it.
  - i. At the conclusion of the discussion, the Presiding Officer will restate the motion and request that the Rent Board Clerk call for a vote.
  - j. The Board will vote on the motion. If more than one motion is before the Board, the Board must vote on the last-made motion first, then proceed in reverse order to the first-made motion.

**323. Effective Date of Adopted Regulations and Resolutions**

Where the Rent Board by majority vote adopts a Regulation or Resolution, the effective date of the adopted Regulation or Resolution shall be thirty (30) calendar days from the date of the Board meeting where the Rent Board adopted said Regulation or Resolution.

**324. Adjournment**

The duration of each Board Meeting shall not exceed three hours, unless a majority of the Rent Boardmembers vote otherwise.

**325. Record of Meetings**

All public meetings of the Board shall be electronically recorded. The recording shall be made available on the Rent Board's website and shall be part of the records of the Board.

**326. Interpretation and Modification of the Rules**

These rules shall be interpreted liberally in order to provide for the optimum in the free interchange of information and public debate without any unnecessary waste of time or duplication of effort.

*[Adopted June 17, 2020]*

# AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: May 8, 2023

Final Decision Date Deadline: May 8, 2023

**STATEMENT OF THE ISSUE:** The Richmond Rent Board is charged with holding hearings to adjudicate matters on appeal. *Richmond Municipal Code Section 11.100.070(d)* To ensure the Rent Board is able to effectively execute its duties under Richmond Municipal Code Section 11.100.070(d), it is imperative that each Board Member possess an intimate understanding of the Richmond Rent Board Regulations Chapter 8 as it relates to the Appeals process. Thus, education regarding the Richmond Rent Board Regulations Chapter 8, as it relates to the appeals process, is necessary for all members of the Rent Board. To ensure effective execution of its duties, and disposition of matters on appeal in a fair and efficient manner, staff members intend to bi-annually provide Board members training on the Richmond Rent Board appeals process.

## 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>Training</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 training on the Richmond Rent Board Appeals Process (Nicolas Traylor/Charles Oshinuga 620-6564).

AGENDA ITEM NO:

**L.**

***This page intentionally left blank***



# AGENDA REPORT

**DATE:** May 8, 2023  
**TO:** Members of the Rent Board  
**FROM:** Charles Oshinuga, General Counsel  
**SUBJECT:** RENT BOARD APPEALS PROCESS TRAINING

## **STATEMENT OF THE ISSUE:**

The Richmond Rent Board is charged with holding hearings to adjudicate matters on appeal. *Richmond Municipal Code Section 11.100.070(d)* To ensure the Rent Board is able to effectively execute its duties under Richmond Municipal Code Section 11.100.070(d), it is imperative that each Board Member possess an intimate understanding of the Richmond Rent Board Regulations Chapter 8 as it relates to the Appeals process. Thus, education regarding the Richmond Rent Board Regulations Chapter 8, as it relates to the appeals process, is necessary for all members of the Rent Board. To ensure effective execution of its duties, and disposition of matters on appeal in a fair and efficient manner, staff members intend to bi-annually provide Board members training on the Richmond Rent Board appeals process.

## **RECOMMENDED ACTION:**

RECEIVE training on the Richmond Rent Board Appeals Process (Nicolas Traylor/Charles Oshinuga 620-6564).

## **FISCAL IMPACT:**

There is no fiscal impact related to this item.

## **DISCUSSION:**

Receive a PowerPoint and oral presentation on the Richmond Rent Board Appeals Process.

***This page intentionally left blank***

# AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: May 8, 2023

Final Decision Date Deadline: May 8, 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

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

**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:

**M-1.**

***This page intentionally left blank***



# AGENDA REPORT

**DATE:** May 8, 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 M-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       |       |                        |                         |                           |                            |                             |                              |
| <b>BUDGET</b>  |   |                  |                  |                  |                   |                   |       |                        |                         |                           |                            |                             |                              |
| 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 (\$) |
| <b>REVENUES</b>  |   |                  |                  |                  |                   |                   |       |                        |                         |                           |                            |                             |                              |
| 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            |       |                        |                         |                           |                            |                             |                              |
|  | <b>TOTAL REVENUES</b>                     | <b>2,190,203</b> | <b>2,706,268</b> | <b>2,795,854</b> | <b>2,938,314</b>  | <b>3,106,687</b>  |       |                        |                         |                           |                            |                             |                              |
| <b>EXPENSES</b>  |   |                  |                  |                  |                   |                   |       |                        |                         |                           |                            |                             |                              |
| 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%                         | -                            |
|  | <b>Subtotal - Salaries &amp; Wages</b>    | <b>1,022,823</b> | <b>1,121,084</b> | <b>1,049,091</b> | <b>1,195,799</b>  | <b>1,305,674</b>  |       |                        | <b>718,120</b>          |                           | <b>261,135</b>             |                             | <b>326,418</b>               |
| 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                       |
|  | <b>Subtotal Fringe Benefits</b>           | <b>611,127</b>   | <b>691,706</b>   | <b>727,447</b>   | <b>747,618</b>    | <b>809,518</b>    |       |                        | <b>445,235</b>          |                           | <b>161,904</b>             |                             | <b>202,380</b>               |
| 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                        |
|  | <b>Subtotal Prof &amp; Admin Services</b> | <b>185,563</b>   | <b>239,819</b>   | <b>169,680</b>   | <b>240,425</b>    | <b>362,085</b>    |       |                        | <b>104,647</b>          |                           | <b>177,417</b>             |                             | <b>80,021</b>                |
| 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%                         | -                            |
|  | <b>Subtotal Other Operating</b>           | <b>46,486</b>    | <b>22,801</b>    | <b>16,072</b>    | <b>69,674</b>     | <b>60,204</b>     |       |                        | <b>33,112</b>           |                           | <b>12,041</b>              |                             | <b>15,051</b>                |
| 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%                         | -                            |
|  | <b>TOTAL EXPENSES</b>                     | <b>2,047,186</b> | <b>2,264,738</b> | <b>2,143,246</b> | <b>2,456,820</b>  | <b>2,595,497</b>  |       |                        | <b>1,333,024</b>        |                           | <b>624,099</b>             |                             | <b>638,374</b>               |
|  | <b>OPERATING RESERVE</b>                  | <b>560,985</b>   | <b>424,794</b>   | <b>420,821</b>   | <b>429,944</b>    | <b>467,190</b>    | (15)  | 55%                    | <b>256,954</b>          | 20%                       | <b>93,438</b>              | 25%                         | <b>116,797</b>               |
|  | <b>TOTAL BUDGET</b>                       | <b>2,804,925</b> | <b>2,923,584</b> | <b>2,896,242</b> | <b>2,886,764</b>  | <b>3,062,687</b>  |       |                        | <b>1,589,978</b>        |                           | <b>717,537</b>             |                             | <b>755,172</b>               |

Notes:

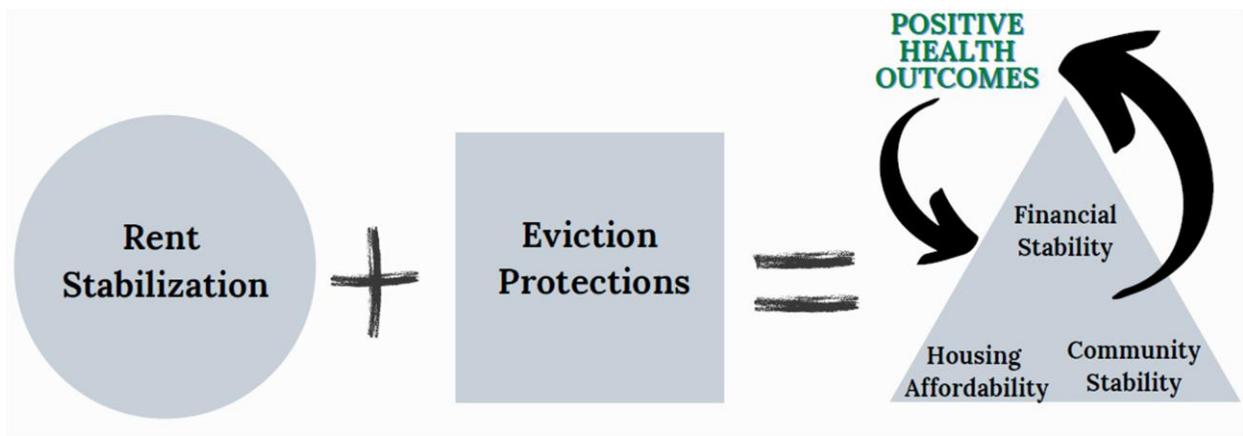
- (1) Assumes a Fiscal Year 2022-23 Rental Housing Fee of \$226 for Fully Covered unit and \$127 for Partially Covered units
- (2) See page 11 of the budget and fee study report for detailed salary and wage assumptions
- (3) The Rent Program is seeking the City to cap Total Fringe Benefits at 62% of 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.

*This page intentionally left blank*

# FY 2022-23 BUDGET & RENTAL HOUSING FEE STUDY

## CITY OF RICHMOND RENT PROGRAM

ADOPTED: MAY 31, 2022



City of Richmond Rent Program  
440 Civic Center Plaza, Suite 200  
Richmond, CA 94804  
(510) 234-RENT [7368]  
[www.richmondrent.org](http://www.richmondrent.org)



**Boardmembers**  
Virginia Finlay  
Shiva Mishek  
Alana Grice Conner  
Carole Johnson  
Michael Vasilas

## ACKNOWLEDGMENTS

---

### Rent Program Department Team

Nicolas Traylor  
*Executive Director*

Charles Oshinuga  
*General Counsel*

Paul Cohen  
*Hearing Examiner*

Fred Tran  
*Deputy Director*

Palomar Sanchez  
*Staff Attorney*

Cynthia Shaw  
*Administrative Analyst*

Monica Bejarano  
*Services Analyst*

Ramona Howell  
*Administrative Aide*

Moises Serano  
*Administrative Aide*

Abraham Gonzalez  
*Administrative Intern*

Christopher Villalta  
*Administrative Intern*



### Special Thanks to the below City staff and departments:

#### IT Department

Sue Hartman  
*Director*

Randall Narron  
*Senior Programmer*

#### Human Resources Department

Sharrone Taylor  
*Principal Personnel Analyst*

#### Finance Department

Mubeen Qader  
*Budget Administrator*

Delmy Cuellar  
*Finance Manager  
(Interim)*

Vrenesia Ward  
*Sr. Budget Analyst*

## TABLE OF CONTENTS

---

|      |   |    |
|------|---|----|
| I.   | <b>Rent Program Organization and Goals</b> .....                                      | 3  |
|      | a. Mission Statement.....   | 3  |
|      | b. Organizational Chart and Labor Summary .....                                       | 3  |
|      | c. Progress towards the achievement of Fiscal Year 2021-22 Goals.....                 | 5  |
|      | d. Proposed Fiscal Year 2022-23 Goals.....  | 7  |
| II.  | <b>Proposed 2022-2023 Budget</b> .....  | 9  |
|      | a. Budget .....   | 9  |
|      | b. Line Item Descriptions.....  | 11 |
| III. | <b>Expense and Revenue Projections</b>  |    |
|      | a. Expense and Revenue Summary.....   | 19 |
| IV.  | <b>2022-2023 Rental Housing Fee Study</b> .....                                       | 20 |
|      | a. Introduction and Background.....   | 20 |
|      | b. Structure of the Rental Housing Fee.....   | 20 |
|      | c. Applicable Unit Counts and Database Development.....                               | 22 |
|      | d. Proposed Rental Housing Fees.....  | 25 |
|      | e. Comparison to Previously Adopted Rental Housing Fee and Peer<br>Jurisdictions..... | 25 |
|      | f. Conclusion and Recommended Actions.....  | 27 |
| V.   | <b>Unit Descriptions</b> .....  | 28 |
| VI.  | <b>Appendices</b> .....   | 30 |

# I. RENT PROGRAM ORGANIZATION AND GOALS

## Mission Statement

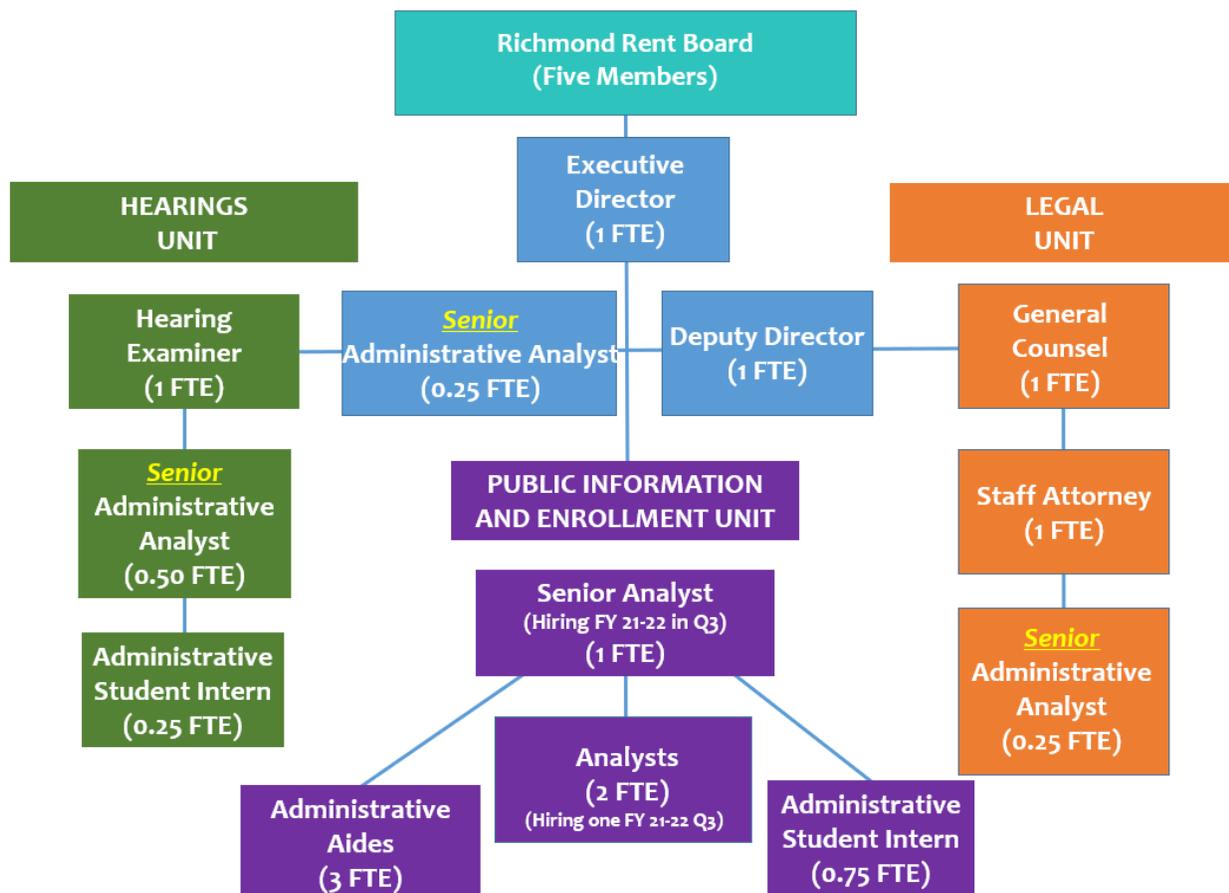
The mission of the Rent Program is to promote neighborhood and community stability, healthy housing, and affordability for Richmond Tenants through the regulating of those Landlord/Tenant matters that reasonably relate to rents and evictions, while maintaining a Landlord’s right to a fair return.

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

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

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

**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. | <b>Nearly complete.</b> 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.                       | <b>Nearly complete, but significantly impacted by the Covid-19 pandemic, work is ongoing.</b> 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  | <b>Progress is ongoing.</b> 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 M-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><b>Nearly complete but significantly impacted by the Covid-19 pandemic.</b> 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><b>Fiscal Year 2021-22 Goal</b></p>  | <p><b>Progress Towards Achievement</b></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><b>Progress is ongoing but was significantly impacted by the Covid-19 pandemic.</b> 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><b>Progress is ongoing due to the limitations of remote work during the Covid-19 pandemic.</b> 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><b>On Track to Complete and compliance is ongoing.</b> 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><b>Progress is ongoing.</b> 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><b>Ongoing.</b> 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<br>ACTUALS | FY 19-20<br>ACTUALS | FY 20-21<br>ACTUALS | FY 21-22<br>PROPOSED | FY 22-23<br>PROPOSED | Notes |
| <b>REVENUES</b>                           |  |                     |                     |                     |                      |                      |       |
| 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               |       |
| <b>TOTAL REVENUES</b>                     |  | <b>2,190,203</b>    | <b>2,706,268</b>    | <b>2,795,854</b>    | <b>2,938,314</b>     | <b>3,106,687</b>     |       |
| <b>EXPENSES</b>                           |  |                     |                     |                     |                      |                      |       |
| 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               | -                   | -                    | -                    |       |
| <b>Subtotal - Salaries &amp; Wages</b>    |  | <b>1,022,823</b>    | <b>1,121,084</b>    | <b>1,049,091</b>    | <b>1,195,799</b>     | <b>1,305,674</b>     |       |
| 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)   |
| <b>Subtotal Fringe Benefits</b>           |  | <b>611,127</b>      | <b>691,706</b>      | <b>727,447</b>      | <b>747,618</b>       | <b>809,518</b>       |       |
| 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)   |
| <b>Subtotal Prof &amp; Admin Services</b> |  | <b>185,563</b>      | <b>239,819</b>      | <b>169,680</b>      | <b>240,425</b>       | <b>362,085</b>       |       |
| 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                 | -                   | -                    | -                    |       |
| <b>Subtotal Other Operating</b>           |  | <b>46,486</b>       | <b>22,801</b>       | <b>16,072</b>       | <b>69,674</b>        | <b>60,204</b>        |       |
| 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              | -                   | -                   | -                    | -                    |       |
| <b>TOTAL EXPENSES</b>                     |  | <b>2,047,186</b>    | <b>2,264,738</b>    | <b>2,143,246</b>    | <b>2,456,820</b>     | <b>2,595,497</b>     |       |
| <b>OPERATING RESERVE</b>                  |  | <b>560,985</b>      | <b>424,794</b>      | <b>420,821</b>      | <b>429,944</b>       | <b>467,190</b>       | (15)  |
| <b>TOTAL BUDGET</b>                       |  | <b>2,804,925</b>    | <b>2,923,584</b>    | <b>2,896,242</b>    | <b>2,886,764</b>     | <b>3,062,687</b>     |       |

**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.

**ITEM M-1  
ATTACHMENT 1**

| <b>SALARIES AND WAGES</b>                      |   |
|--|---|
| <b>400001 – 400006<br/>Permanent Employees</b> | <b>Proposed Allocation:<br/>\$1,287,802</b> |

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<br>2021-22<br>Salary | Fiscal Year<br>2022-23<br>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   |
| <b>Subtotal Executive Staff</b>   | <b>\$677,798</b>                 | <b>\$724,848</b>                 |  |
| 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<br>(50% annual salary)  | \$85,896                         | Reallocate from Rent Program Services Analyst and reclassify as Senior Analyst |
| <b>Subtotal Local 21 Management Staff</b>   | <b>\$284,628</b>                 | <b>\$324,846</b>                 |  |
| Administrative Aide   | \$70,476                         | \$70,476                         |  |
| Administrative Aide   | \$32,160<br>(50% annual salary)  | \$61,380                         | Hire March 2022  |
| Administrative Aide   | \$67,224                         | \$70,476                         | Anticipated to receive regular step increase                                   |
| <b>Subtotal SEIU 1021 Staff</b>   | <b>\$169,860</b>                 | <b>\$202,332</b>                 |  |
| Administrative Student Intern   | \$21,518                         | \$17,888                         |  |
| Administrative Student Intern   | \$21,518                         | \$17,888                         |  |
| <b>Subtotal Part Time/Temp Staff</b>  | <b>\$43,036</b>                  | <b>\$35,776</b>                  |  |
| <b>TOTAL SALARIES</b>   | <b>\$1,175,322</b>               | <b>\$1,287,802</b>               |  |

| <b>SALARIES AND WAGES</b>  |   |
|----------------------------|---|
| <b>400031<br/>Overtime</b> | <b>Proposed Allocation:<br/>\$2,500</b> |

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.

| <b>SALARIES AND WAGES</b>       |  |
|---------------------------------|--|
| <b>400048<br/>Bilingual Pay</b> | <b>Proposed Allocation:<br/>\$11,172</b> |

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)

| <b>SALARIES AND WAGES</b>        |   |
|----------------------------------|---|
| <b>400049<br/>Auto Allowance</b> | <b>Proposed Allocation:<br/>\$4,200</b> |

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

| <b>BENEFITS</b>                            |   |
|--|---|
| <b>400103 - 400151<br/>Fringe Benefits</b> | <b>Proposed Allocation:<br/>\$809,518</b> |

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 Insurance<sup>1</sup>
  - Clerical staff (\$24,001)
  - Professional staff (\$0)
- Other Post-Employment Benefits (OPEB) (\$40,723)<sup>2</sup>
- Public Agency Retirement System (PARS) Benefits (\$102)
- Miscellaneous Benefits (\$443,555)<sup>3</sup>

| <b>PROFESSIONAL AND ADMINISTRATIVE SERVICES</b> |   |
|---|---|
| <b>400201<br/>Professional Services</b>         | <b>Proposed Allocation:<br/>\$143,455</b> |

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.

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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)

| <b>PROFESSIONAL AND ADMINISTRATIVE SERVICES</b> |   |
|---|---|
| <b>400206<br/>Legal Services</b>                | <b>Proposed Allocation:<br/>\$210,000</b> |

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.

| <b>TRAVEL AND TRAINING</b>              |                                       |
|---|---------------------------------------|
| <b>400245<br/>Tuition Reimbursement</b> | <b>Proposed Allocation:<br/>\$800</b> |

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

| <b>DUES AND PUBLICATIONS</b>                   |   |
|--|---|
| <b>400261</b><br><b>Memberships &amp; Dues</b> | <b>Proposed Allocation:</b><br><b>\$1,650</b> |

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

| <b>ADVERTISING AND PROMOTION</b>                                |   |
|---|---|
| <b>400271</b><br><b>Advertising &amp; Promotional Materials</b> | <b>Proposed Allocation:</b><br><b>\$800</b> |

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

| <b>ADMINISTRATIVE EXPENSES</b>           |   |
|--|---|
| <b>400280</b><br><b>Program Supplies</b> | <b>Proposed Allocation:</b><br><b>\$5,380</b> |

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)

| <b>OFFICE EXPENSES</b>                      |  |
|---|--|
| <b>400231</b><br><b>Postage and Mailing</b> | <b>Proposed Allocation:</b><br><b>\$17,300</b> |

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

| <b>OFFICE EXPENSES</b>                          |  |
|---|--|
| <b>400232 – 400233<br/>Printing and Binding</b> | <b>Proposed Allocation:<br/>\$24,904</b> |

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

| <b>OFFICE EXPENSES</b>             |   |
|------------------------------------|---|
| <b>400304<br/>Equipment Rental</b> | <b>Proposed Allocation:<br/>\$9,000</b> |

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.)

| <b>MISCELLANEOUS EXPENSES</b>                                       |   |
|---|---|
| <b>400321 - 400322<br/>Miscellaneous Contributions and Expenses</b> | <b>Proposed Allocation:<br/>\$4,000</b> |

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.

| <b>OFFICE SUPPLIES</b>            |   |
|-----------------------------------|---|
| <b>400341<br/>Office Supplies</b> | <b>Proposed Allocation:<br/>\$5,000</b> |

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.

| <b>UTILITIES</b>            |                                       |
|-----------------------------|---------------------------------------|
| <b>400401<br/>Telephone</b> | <b>Proposed Allocation:<br/>\$500</b> |

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.

| <b>SUPPLEMENTAL INSURANCE</b>                 |   |
|---|---|
| <b>400552<br/>General Liability Insurance</b> | <b>Proposed Allocation:<br/>\$9,300</b> |

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.

| <b>COST POOL</b>   |  |
|--|--|
| <b>400574 - 400591<br/>General Liability, Admin Charges, Space</b> | <b>Proposed Allocation:<br/>\$48,217</b> |

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).

# ITEM M-1 ATTACHMENT 1

- **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 <sup>4</sup> | COLLECTION RATE                 |
|----------------------|------------------------------------|--------------------------|------------------------------------|---------------------------------|
| 2017-18 <sup>5</sup> | FY 16-17 (partial):<br>\$1,150,433 | \$1,967,834              | \$2,753,351 <sup>6</sup>           | 77%                             |
|                      | FY 17-18:<br>\$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 <sup>7</sup> | \$2,362,626 <sup>8</sup>           | 80% <sup>9</sup> +<br>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.

<sup>4</sup> Includes revenue collected by the collection agency.

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

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

<sup>7</sup> Represents projected total expenses through the end of FY 2021-22.

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

<sup>9</sup> 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

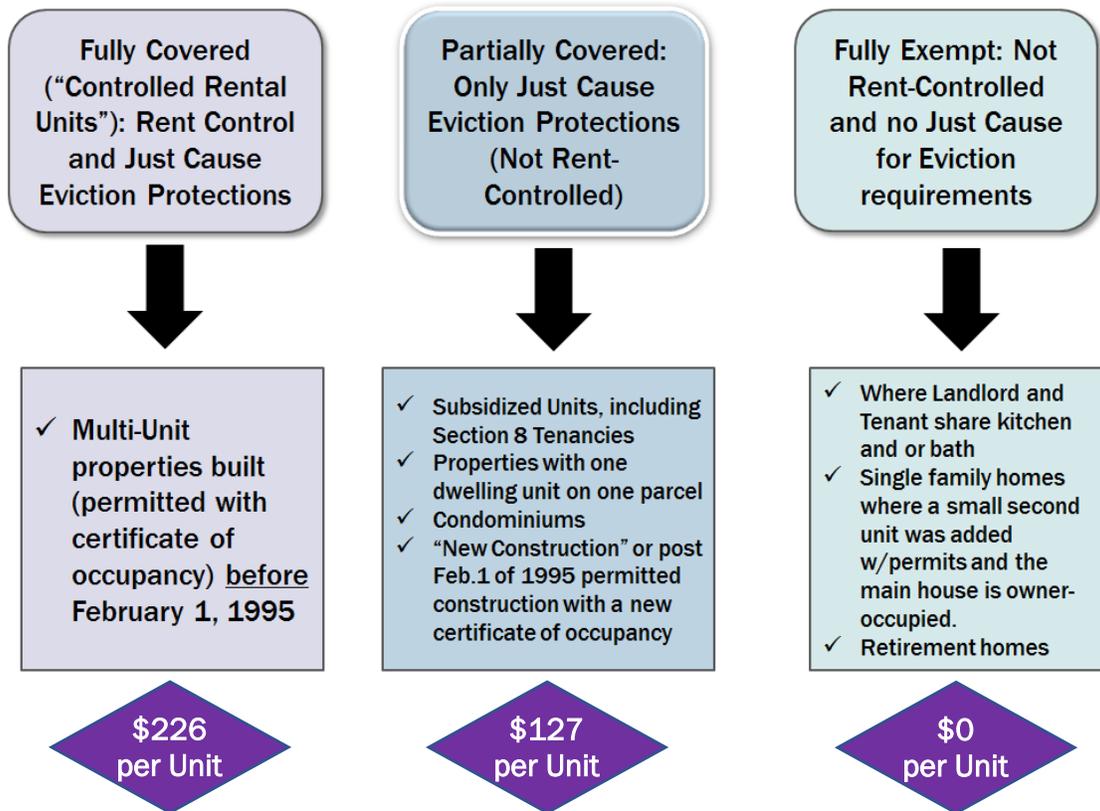
amount of resources spent administering each component of the program. Staff members recommend the Board continue to utilize a tiered-fee approach in its determination of the Fiscal Year 2022-23 Rental Housing Fee to ensure the requirements of Section 50076 of the California Government Code are met. 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](http://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<br>TOTAL | 2021<br>TOTAL | 2022<br>TOTAL | CHANGE<br>BETWEEN<br>2021<br>AND<br>2022 |
|---|---------------|---------------|---------------|--|
| SUSPECTED FULLY COVERED<br>RENTAL UNITS   | 8             | 31            | 33            | +2                                       |
| FULLY COVERED RENTAL UNITS  | 7,425         | 7,484         | 7,632         | +148                                     |
| <b>SUBTOTAL - FULLY COVERED UNITS</b>   | <b>7,433</b>  | <b>7,515</b>  | <b>7,665</b>  | <b>+150</b>                              |
| SUSPECTED PARTIALLY COVERED<br>RENTAL UNITS (EXCLUDING GOV<br>SUBSIDIZED RENTAL UNITS)    | 120           | 203           | 124           | -79                                      |
| PARTIALLY COVERED RENTAL UNITS<br>(EXCLUDING GOV SUBSIDIZED RENTAL<br>UNITS)              | 5,568         | 5,497         | 5,863         | +366                                     |
| <b>SUBTOTAL - PARTIALLY COVERED<br/>UNITS (EXCLUDING GOV SUBSIDIZED<br/>RENTAL UNITS)</b> | <b>5,688</b>  | <b>5,700</b>  | <b>5,987</b>  | <b>+287</b>                              |
| <b>SUBTOTAL - GOVERNMENTALLY<br/>SUBSIDIZED RENTAL UNITS</b>                              | <b>4,512</b>  | <b>4,508</b>  | <b>4,498</b>  | <b>-10</b>                               |
| <b>TOTAL APPLICABLE UNITS</b>   | <b>17,633</b> | <b>17,723</b> | <b>18,150</b> | <b>+427</b>                              |
| 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 <sup>10</sup>  | 682           | 805           | 533           | -272                                     |
| <b>TOTAL NON-APPLICABLE OR<br/>CONDITIONALLY EXEMPT UNITS</b>                             | <b>6,712</b>  | <b>7,004</b>  | <b>6,807</b>  | <b>-197</b>                              |

**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 <sup>11</sup>   |        | \$3,062,687         | +\$175,923<br>(+6.1%)       |
| FULLY COVERED UNITS <sup>12</sup>                                  | 7,665  | \$226               | +\$8<br>(+3.5%)             |
| PARTIALLY COVERED UNITS (INCLUDING SUBSIDIZED UNITS) <sup>13</sup> | 10,485 | \$127               | +\$4<br>(+3.4%)             |
| TOTAL REVENUE <sup>14</sup>  |        | \$3,106,687         | +\$168,372<br>(+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 <sup>15</sup> |
|--------------------|----------------------------|--------------------------------|--|
| 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  |

<sup>11</sup> Total expenditures include a budgeted reserve equal to 18 percent of proposed expenses

<sup>12</sup> Includes suspected Fully Covered Rental Units

<sup>13</sup> Includes suspected Partially Covered Rental Units

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

<sup>15</sup> 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 <sup>16</sup> | PORTION OF FEE PASSED THROUGH TO TENANTS                 |
|--|---------------------------------------|---|--|----------------------------|--|
| <b>ACTIVELY ENFORCED RENT PROGRAMS</b> |                                       |   |  |                            |  |
| BERKELEY                               | \$5,822,405                           | 19,607  | \$250  | \$3,164                    | 50%, City may reimburse low-income Tenants <sup>17</sup> |
| 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%  |
| <b>COMPLAINT-DRIVEN RENT PROGRAMS</b>  |                                       |   |  |                            |  |
| 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 <sup>18</sup>  | \$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%  |

<sup>16</sup> 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.

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

<sup>18</sup> 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

***This page intentionally left blank***