

Proposed FISCAL YEAR
2023-24 BUDGET AND
RENTAL HOUSING FEE OPTIONS

CITY OF RICHMOND
RENT PROGRAM

ITEM F-1 | May 31, 2023, Special Meeting of the Richmond Rent Board
www.richmondrent.org

Statement of the Issue

- ▶ Section 11.100.060(n) of the Rent Ordinance requires that the Board hold a public hearing and adopt an annual budget for the upcoming fiscal year no later than July 1. The annual budget is funded by the Residential Rental Housing Fee, the amount of which is determined by the City Council following a recommendation from the Rent Board. In consideration of this requirement, staff members will prepare a proposed Fiscal Year 2023-24 Budget with the corresponding Rental Housing Fee for the Board's consideration. The purpose of this item is to receive feedback from the Board on the proposed Budget options as directed by the Board at the May 17, 2023, Regular Rent Board Meeting prior to its adoption by the July 1 deadline.

Fiscal Impact of Proposed Budget Options

The estimated fiscal impact of the proposed budget options are as follows:

Budget Option A – Normal Board meeting monthly would result in a projected operating budget of \$3,010,115 and corresponding fees of \$221 for fully-covered Rental Units and \$125 for partially covered Rental Units (fees rounded up to the nearest dollar).

Budget Option B - Board meeting held every other month would result in a projected operating budget of \$2,967,115 and corresponding fees of \$217 for fully-covered Rental Units and \$123 for partially covered Rental Units (fees rounded up to the nearest dollar).

Background and Discussion: Direction Provided at the May 17, 2023, Rent Board Meeting

At the Regular Meeting of the Richmond Rent Board on May 17, 2023, the Rent Board directed staff to come back with budget options related to three areas:

1. Interpretation Services at Rent Board Meetings and Translation of Rent Program and Board Documents
2. Conducting “Hybrid” Rent Board Meetings (In-Person Board Meetings that are Simultaneously Streamed on Videoconferencing Platform (e.g., Zoom))
3. Develop Creative Outreach Strategies to Enhance and Education to the Community



**Interpretation Services
at Rent Board Meetings
and Translation of
Rent Board Documents**

Costs Options for Interpretation Services

- ❑ On average, the Rent Program spends \$7,000 annually on interpretation services in prior fiscal years.
- ❑ To provide interpretation services for all Rent Board meetings, an additional \$4,200 will need to be budgeted to provide one interpreter for three and half hours for 12 Regular Board Meetings and 2 Special Board Meetings.
- ❑ To provide two interpreters for 14 Board meetings, the cost would be approximately \$8,400 annually.
- ❑ Staff recommend only budgeting for 1 interpreter and allowing for a 15-minute break during the meetings.
- ❑ Staff also recommend budgeting \$3,000 for an interpreter's booth, which will make it much easier for the Board and the public to understand the interpreter and the presenter, as it significantly reduces the voice of the interpreter in the meeting room (e.g., Council Chambers).

Costs Options for Translation of Rent Program and Rent Board Documents

On average, the Rent Program spends \$7,000 annually to translate forms, outreach materials, workshop presentations, Hearing and Appeal documents as needed, among other documents. To translate all existing and future Rent Board and Rent Program documents, including Agenda Packets, at seven (7) cents per word would cost:

- ▶ Translation of 14 Rent Board Agenda Packets would cost approximately \$2,500 per packet based on the average of 41,000 words for each agenda packet. This would amount to an estimate of \$35,000 annually.
- ▶ Translation of all Hearing Appeal records, transcription and translation of the recording of the Hearing on appeal, the Hearing Examiner's decision, the legal recommendation by the Rent Board's General Counsel, Rent Board Regulations, previous Rent Board decisions and agenda packets, and other associated attachments and documents would cost at least \$60,000.

Additional Staff Costs to Support with Increased Interpretation and Translation Services

- ▶ An additional Office Assistant (1 FTE) would be required to support with handling the increased workload associated with additional interpretation and translation services.
- ▶ The additional Office Assistant duties would include, acting as an assistant to the Rent Board Clerk (taking minutes, managing public comment at Board meetings, preparing all Rent Board related documents for translation, arranging the logistics, and set-up of the bilingual Board meetings, assisting with the generation of Rent Board Agenda Packets, assisting as the Hearings Coordinator with preparing for Rent Board Hearings, assisting with the preparation of Rent Board Hearing and Appeal Hearing documents, and preparing Hearing recordings for translation.
- ▶ Estimated annual salary is \$54,575 (plus fringe benefits).

Impact on Agency of Translating all Rent Board Agenda Packets

Translating all Rent Board Agenda Packets (agenda, agenda reports, studies, attachments, etc.) will significantly impact staff's ability to manage their normal work and the Board's ability to continue to perform at the same historical level.

- ❑ Completed Agenda Packets, must be posted to the public at least 72 hours prior to each Board meeting per the Brown Act. Additionally, the Rent Board holds Appeal Hearings must be published two weeks prior to each Board meeting. Translating all Rent Board meeting documents, including Appeal documents, and preparation for posting will require at least two weeks lead time prior to the Board meeting. This means that within a week after a Board meeting is held, staff would need to have all agenda items ready and prepared for translation and posting, **which is not feasible** when conducting monthly Board meetings.
- ❑ Based on the number of agenda items staff have historically prepared and anticipate preparing for each Board meeting and the delay to translate all Rent Board meeting documents into Spanish, staff would be unable to (1) hold monthly meetings and (2) prepare the same number of agenda items at each Board meeting.

Impact on Agency of Translating all Rent Board Agenda Packets Continued

- ▶ Staff recommend the Rent Board hold meetings every other month. In the early years of the Rent Board, it was vital to conduct monthly meetings, due to the sheer volume of work that needed to be accomplished. The Rent Board and Rent Program have implemented the foundational work necessary to carry out its mission.
- ▶ Moving to bi-monthly meetings will not impact the Rent Program's ability to provide its services (counseling, mediation, community education and outreach, the Rent Adjustment Petition Process, etc.). The Rent Board will continue to fulfill its duties to adjudicate appeals without additional delay, as the appeal process generally takes several months or more to complete and the Board only holds on average 4-5 appeals annually. Furthermore, if important/timely items need to be brought to the Board, the Board can schedule a Special Board meeting. On average the Board typically holds 1 to 2 Special meetings a year.
- ▶ The increased workload (at current staffing levels) with monthly meetings may lead to burnout, attrition, and day to day work inefficiencies.

Option A versus Option B Cost

Option A Budget: \$3,010,115 Corresponding Rental Housing Fee: \$221 for fully- covered and \$125 for Partially Covered	Cost	Option B Budget: \$2,967,115 Corresponding Rental Housing Fee: \$217 for fully- covered and \$123 for Partially Covered	Cost
Interpretation	\$4,200	Interpretation	\$4,200
Translation	\$95,000	Translation	\$47,500
Staffing	\$54,575	Staffing	\$54,575
Equipment for Interpretation	\$3,000	Equipment for Interpretation	\$3,000
Total Cost - Option A	\$156,775	Total Cost - Option B	\$109,275

Alternative Option for Translation

Instead of providing for and budgeting for full (certified) translation, the Board could:

- ▶ Budget for the translation of the 4-to-6-page agenda only (using certified translation with a cost of \$200-\$300 per agenda)
- ▶ Translate the agenda packet for the Board only (not officially published publicly) with non-certified translation using no cost online translation and review by bilingual staff. Fiscal impact would be additional staff resources/time. This additional duty would have little impact the agency's ability to perform its duties writ large.

Staff Recommendation: Adopt Budget Option B

Staff recommend the Board to adopt translating all Rent Board documents, with a Board meeting held every other month for the following reasons:

1. It makes it feasible to translate Board meetings agenda items in time to publish the agenda to the public per Brown Act requirements.
2. It helps prevent staff burnout and attrition by allowing for achievable deadlines, while maintaining the high work product historically achieved by staff.
3. Reduces the cost of translation services from \$95,000 annually (12-14 meetings) \$47,500 to annually (6-7 meetings).
4. Mitigates spending increases in the budget and corresponding fees which supports the sustainability of the agency long term and higher collection rates.

Conducting Hybrid Rent Board Meetings

- ❑ The Rent Program was informed by the IT Department that they do not have the available staff bandwidth to assist the Rent Program with conducting hybrid meetings.
- ❑ The costs to conduct hybrid meetings (allowing members of the public to attend in-person or through a video-streaming/meeting service) are incorporated with the “Interpretation Services” (\$7,200 = \$4,200 interpretations + \$3,000 booth) and hiring an additional Office Assistant (\$54,575 plus fringe benefits).
- ❑ The Office Assistant will also support the Rent Board Clerk during the hybrid Rent Board Meetings and monitor the video streaming platform (e.g. Zoom) to ensure coordination with the interpreter is continuous.
- ❑ Conducting hybrid meetings is feasible, with staff workload increasing to manage the video conference/stream meetings. Additional equipment is required for Board Members. The logistics will still need to be assessed with the City’s facilities, available City devices, and City staff.
- ❑ The proposed budget funds Board members technology for video conferencing capabilities (able to speak and hear the interpretation). Laptops for each Board Member have been included in the Budget (\$5,000).

Develop Creative Outreach Strategies

- ❖ At the May 17, 2023, Rent Board meeting, the Board directed staff to propose creative ways to conduct community outreach.
- ❖ The role of staff is to create and implement outreach activities that further the purpose of the Rent Ordinance. Prior to the COVID-19 Pandemic Rent Program staff developed a comprehensive outreach plan that was significantly impacted by the pandemic.
- ❖ In its decision making, the Board looks to staff to recommend how much to budget for outreach and education. Staff believe that the current budgeted amounts for outreach are adequate to achieve its Programmatic goals to date.
- ❖ Staff will require additional time to explore other types of creative strategies and the associated cost to budget for the new concepts and methods.

Recommended Action

- ▶ RECEIVE the Agenda Report and discuss the objective of the Fiscal Year 2023-24 Rent Program operating budget options and corresponding Rental Housing Fee and APPROVE Option B (Nicolas Traylor/Fred Tran – 620-6564).