



**SPECIAL MEETING OF THE RENT BOARD OF THE CITY OF RICHMOND
MUTI-PURPOSE ROOM (BASEMENT), COMMUNITY SERVICES BUILDING
440 Civic Center Plaza, Richmond, CA 94804**

**AGENDA
Monday, June 26, 2023**

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

Board Chair
Sara Cantor

Board Vice Chair
Karina Guadalupe

Boardmembers
Elaine Dockens
Tomas Espinoza
Jim Hite

NOTICE: SEATING IN THE MULTI-PURPOSE ROOM (BASEMENT) WILL BE LIMITED 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 cynthia_shaw@ci.richmond.ca.us and rent@ci.richmond.ca.us or submitted by phone at (510) 620-5552. Requests made by mail to the Rent Program Office, Rent Board meeting, 440 Civic Center Plaza, Suite 200, Richmond, CA 94804 must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

NOTICE TO PUBLIC

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

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

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

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

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

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

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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. PUBLIC FORUM

F. RENT BOARD CONSENT CALENDAR

F-1. RECEIVE letters from community members regarding the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, RMC 11.100. *Cynthia Shaw*

F-2. APPROVE an amendment to the contract for community legal services with the Eviction Defense Center, increasing the contract amount by \$200,000 for Fiscal Year 2023-24, to a total not to exceed \$781,244, and modifying the term to commence on July 1, 2023, through June 30, 2024. *Nicolas Traylor*

F-3. APPROVE an amendment to the contract for interpretation services with Interpreters Unlimited, increasing the contract amount by \$15,000 for Fiscal Year 2023-24, to a total not to exceed \$32,000 and modifying the term to commence on July 1, 2023, through June 30, 2024. *Nicolas Traylor*

G. PUBLIC HEARING

G-1. (1) ADOPT Revised Fiscal Year 2023-24 Rent Program budget; (2) RECEIVE and APPROVE Revised Fiscal Year 2023-24 Rental Housing Fee Study; and (3) DIRECT staff to prepare a resolution, consistent with the Rent Board's approved Rental Housing Fee Study and budget, recommending to the City Council adoption of a two-tier fee structure *Nicolas Traylor*

for Fiscal Year 2023-24 of \$220 for Fully Covered Rental Units and \$125 for Partially Covered Rental Units.

H. RENT BOARD AS A WHOLE

H-1. Staff recommend that the Rent Board authorize replenishing the reserves to a minimum of eighteen percent (18%) of current year budgeted expenditures for the Operating and Stability Reserve and the maximum remaining for the Catastrophic Legal Event Reserve and Catastrophic Reserve as described in the Reserve Policy.

*Nicolas Traylor
Fred Tran*

H-2. ADOPT Regulation 612, establishing the 2023 Annual General Adjustment in the amount of 3.0% for tenancies commencing prior to September 1, 2022.

*Nicolas Traylor
Charles Oshinuga*

I. REPORTS OF OFFICERS/SCHEDULING

J. ADJOURNMENT

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

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: June 26, 2023

Final Decision Date Deadline: June 26, 2023

STATEMENT OF THE ISSUE: Members of the community have sent letters to the Rent Board and Rent Program staff members. Staff members recommend letters that do not pertain to a specific item on the Rent Board agenda be included as consent items for consideration by the Rent Board.

INDICATE APPROPRIATE BODY

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

ITEM

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

RECOMMENDED ACTION: RECEIVE letters from community members regarding the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, RMC 11.100 – Rent Program (Cynthia Shaw 620-5552).

AGENDA ITEM NO:

F-1.

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Cynthia Shaw

From: Ilona Clark [REDACTED]
Sent: Friday, June 9, 2023 9:55 PM
To: Rent Program; Sara Cantor; Cynthia Shaw; Karina Guadalupe; Elaine Dockens; Nicolas Traylor
Subject: Options?

This email originated from outside of the City's email system. Do not open links or attachments from untrusted sources.

Given that I am unable to attend the Rent Board Meeting on June 12th, I must take the opportunity to protest Mr Traylor's actions at the most recent Board meeting and urge the members for vote for Option A.

First, Option A is inclusive of all our Board members and our community, which is largely Latinx. It is more fully a service to everyone in our community.

Second, Option B would be a significant decrease in service to renters and housing providers. Filing petitions to the rent board is already a very long and laborious process. Hearings often result in appeals which must be heard by the Board. Holding meetings every other month further delays the process. In housing, a delay is the same as a denial and should not be exacerbated by this decrease of services.

I would also like to point out that this information might have been readily available to the Board if the meeting had been conducted correctly. Public comment should always follow, not only the staff report, but also any discussion by the board and by the staff. At the meeting, public comment followed the staff report, but there was a lengthy discussion among the Board and the staff. Points were brought up, questions were asked, but no one could answer some of them and public input was therefore incomplete and improperly excluded.

I understand that this board is new and that these errors must be forgiven, but this Board must revisit this issue and seriously consider Option A.

Finally, Mr Traylor's conduct was reprehensible. He spent valuable time creating and presenting Options A and B to the board. Then during discussion, he stated on no uncertain terms that Option A was not possible, not even an option! How does this make sense? The only explanation that I can think of is that this was an attempt to appear to include Mrs Espinoza and give an illusion of presenting the Board with a choice without actually doing so. This smacks of manipulation. Mrs Espinoza and other Board members ask good questions and demand comprehensible answers. This is not a group that will simply rubberstamp everything that is put in front of them.

My request of the Board - vote for Option A
My advice to Mr Traylor - check your privilege

Sincerely
ilona Clark, RN, MSN, Richmond resident and housing provider

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Healing is figuring out how to coexist with the pain that will always live inside of you, without pretending it isn't there or allowing it to hijack your day. It is learning to confront ghosts and carry what lingers.

- *Suleika Jaouad*

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: June 26, 2023

Final Decision Date Deadline: June 26, 2023

STATEMENT OF THE ISSUE: Since February 2018, The Eviction Defense Center has had the full-time equivalent of one attorney and one part-time paralegal dedicated to Richmond eviction cases. The current contract expires on June 30, 2022. Contract amendments are necessary to extend the term of the contract, add funds for services in Fiscal Year 2023-24 in accordance with the budget adopted by the Rent Board on May 17, 2023, and modify the Service Plan to reflect the proposed amendment to the term beginning July 1, 2023.

INDICATE APPROPRIATE BODY

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

ITEM

- | | | | |
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| <input type="checkbox"/> Contract/Agreement | <input type="checkbox"/> Rent Board As Whole | | |
| <input type="checkbox"/> Grant Application/Acceptance | <input type="checkbox"/> Claims Filed Against City of Richmond | | |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Video/PowerPoint Presentation (contact KCRT @ 620.6759) | | |

RECOMMENDED ACTION: APPROVE an amendment to the contract for community legal services with the Eviction Defense Center, increasing the contract amount by \$200,000 for Fiscal Year 2023-24, to a total not to exceed \$781,244, and modifying the term to commence on July 1, 2023, through June 30, 2024 – Rent Program (Nicolas Traylor 620-6564).

AGENDA ITEM NO:

F-2.

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AGENDA REPORT

DATE: June 26, 2023

TO: Chair Cantor and Members of the Rent Board

FROM: Nicolas Traylor, Executive Director

SUBJECT: SIXTH AMENDMENT TO THE CONTRACT WITH THE EVICTION DEFENSE CENTER FOR COMMUNITY LEGAL SERVICES

STATEMENT OF THE ISSUE:

Since February 2018, The Eviction Defense Center has had the full-time equivalent of one attorney and one part-time paralegal dedicated to Richmond eviction cases. The current contract expires on June 30, 2022. Contract amendments are necessary to extend the term of the contract, add funds for services in Fiscal Year 2023-24 in accordance with the budget adopted by the Rent Board on May 17, 2023, and modify the Service Plan to reflect the proposed amendment to the term beginning July 1, 2023.

RECOMMENDED ACTION:

APPROVE an amendment to the contract for community legal services with the Eviction Defense Center, increasing the contract amount by \$200,000 for Fiscal Year 2023-24, to a total not to exceed \$781,244¹, and modifying the term to commence on July 1, 2023, through June 30, 2024 – Rent Program (Nicolas Traylor 620-6564).

FISCAL IMPACT:

The proposed contract amendments shall be funded by the Fiscal Year 2023-24 Rent Program budget, adopted by the Rent Board on June 12, 2023. The adopted budget allocates \$275,000 for Community Services Agency Contracts, of which \$200,000 is proposed to be used to increase the payment limit for the Board’s existing contract with the Eviction Defense Center.

¹ Amount is the ongoing total from the Original Contract, February 1, 2018. See Attachment 1 for contract payment history.

DISCUSSION:

Background

On Wednesday, June 21, 2017, the Rent Board directed staff to negotiate and execute legal services contracts. In accordance with the City’s procurement policies, a Request for Qualifications and Proposals was released on August 11, 2017. Proposals were reviewed by a panel of stakeholders and staff. A contract was executed with the Eviction Defense Center on February 1, 2018, with an original term ending June 30, 2018.

Performance

In accordance with the amended contract approved by the Rent Board on June 15, 2022, The Eviction Defense Center is compensated \$10,416 monthly to serve a minimum of 30 Richmond tenants per month following a referral from a Rent Program staff member. Tenants receive pre-litigation counseling and a review of documents with appropriate legal response and/or full representation in court at their unlawful detainer hearing.

The Eviction Defense Center submits reports monthly detailing the number of clients served and pertinent data regarding their tenancies and demographics. Full records are maintained at the Eviction Defense Center office for review.

The table below contains a summary of the number of Richmond Tenants served by the Eviction Defense Center during the 2022-23 fiscal year through May 2023. The contract commenced July 1, 2022. Between the contract term July 2022 and June 2023, the Eviction Defense Center served an average of 123 clients per month, 93 more clients than is currently required in the existing contract.

Clients Served by the Eviction Defense Center, Fiscal Year 2022-23

Month	Total Clients Served (Minimum Per Contact is 30)
July 2022	100 with 19 court appearances
August 2022	142 with 28 court appearances
September 2022	98 with 19 court appearances
October 2022	101 with 21 court appearances
November 2022	124 with 24 court appearances
December 2022	125 with 18 court appearances
January 2023	142 with 36 court appearances
February 2023	118 with 16 court appearances
March 2023	131 with 36 court appearances
April 2023	142 with 32 court appearances
May 2023	132 with 33 court appearances

Proposed Contract Amendments

Staff members are recommending approval of contract amendments to (1) extend the term of the contract with the Eviction Defense Center to June 30, 2024 (with the amended contract commencing on July 1, 2023) and (2) increase the payment limit of the contract by \$200,000 in accordance with the Fiscal Year 2023-24 Rent Program budget.

DOCUMENTS ATTACHED:

Attachment 1 – Sixth Contract Amendment and Amendment History

Attachment 2- Addendum A: Sanctuary City Contracting and Investment Ordinance

Attachment 3 – Original Contract

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**CITY OF RICHMOND RENT PROGRAM
CONTRACT AMENDMENT**

Department: Rent Program	Project Manager: Nicolas Traylor
Project Manager E-mail: nicolas_traylor@ci.richmond.ca.us	Project Manager Phone No: (510) 620-6564
P.R. No: 21800884-00 Vendor No: 13140	P.O./Contract No: 4160
Description of Services: Provide Eviction Defense Services to Richmond Tenants.	
Amendment No. <u>6</u> modifies the: (2nd or subsequent amendments attach Amendment History page)	
<input checked="" type="checkbox"/> Term, Payment Limit and Service Plan	<input type="checkbox"/> Payment Limit and Service Plan
<input type="checkbox"/> Term and Service Plan	<input type="checkbox"/> Service Plan

The parties to this Contract Amendment do mutually agree and promise as follows:

- Parties. The parties to this Contract Amendment are the City of Richmond Rent Board, (Rent Board), and the following named Contractor:

Eviction Defense Center

Company Name: _____

Street Address: 350 Frank Ogawa Plaza, Suite 703

City, State, Zip Code: Oakland, CA 94612

Contact Person: Anne Tamiko Omura

Telephone: (510) 452-4541

Email: tamiko23@sbcglobal.net

Business License No: 4005-6623 / Expiration Date: June 30, 2023

A California corporation, limited liability corporation general partnership, limited partnership, individual, non-profit corporation, individual dba as [specify:] _____
 other [specify:] _____

- Purpose. This Contract Amendment is being entered into to amend the Contract between Rent Board and Contractor which was approved by the Rent Board or executed by the Executive Director on February 1, 2018, which **original** term commenced on February 1, 2018 and terminates June 30, 2018 with an **original** contract payment limit of \$37,500.00. Said contract shall hereinafter be referred to as the "Original Contract" and is incorporated herein by reference.

- Original Contract Provisions. The parties hereto agree to continue to abide by those terms and conditions of the Original Contract, and any amendments thereto, which are unaffected by this Contract Amendment.

4. Amendment Provisions. This Contract Amendment is subject to the Amendment Provisions attached hereto, which are incorporated herein by reference, and which control over any conflicting provisions of the Original Contract, or any amendment thereto.

5. City of Richmond Business License Active Status Maintained. Pursuant to Municipal Code Section 7.04.030, the Contractor must maintain its City of Richmond business license for this Contract Amendment to be deemed to be in effect.

6. Insurance Coverage Updated and Maintained. Pursuant to the Original Contract, the Contractor shall provide the Rent Board with updated insurance certificates, and the Contractor shall maintain insurance coverage, for this Contract Amendment to be deemed to be in effect.

7. Signatures. These signatures attest the parties' agreement hereto:

CITY OF RICHMOND RENT BOARD:

CONTRACTOR:

Eviction Defense Center

By: _____

(*The Corporation Chairperson of the Board, President or Vice-President should sign on the line below.)

Title: Executive Director

By: _____

I hereby certify that the Original Contract and this Amendment have been approved by the Rent Board or executed by the Executive Director.

Title: _____

(*The Corporation Chief Financial Officer, Secretary or Assistant Secretary should sign on the line below.)

By: _____
Rent Board Clerk

By: _____

Title: _____

Approved as to form:

(NOTE: Pursuant to California Corporations Code Section 313, if Contractor is a corporation or nonprofit organization, this Contract (1) should be signed by the Chairperson of the Board, President or Vice-President and the Chief Financial Officer, Secretary or Assistant Secretary; (2) should have both signatures conform to designated representative groups pursuant to Corporations Code Section 313.

By: _____
Staff Attorney

List of Attachments:

1. Amendment Provisions
2. Updated Insurance Certificates

Contract Amendment between the City of Richmond and
Eviction Defense Center

Amendment No.

6

P.O./Contract No.

4160

AMENDMENT PROVISIONS (TERM, PAYMENT LIMIT AND SERVICE PLAN)

1. Paragraph 2 (Term) of the Original Contract is hereby amended to extend the Contract term. Paragraph 2 of the Original Contract is amended to read as follows:

"2. Term. The effective date of this Contract is

February 1, 2018

(Insert original contract commencement date)

and it terminates

June 30, 2024

(Insert new contract termination date)

unless sooner terminated as provided herein."

2. Paragraph 3 (Payment Limit) of the Original Contract is hereby amended to increase the payment limit by \$ **200,000.00** . Paragraph 3 of the Original Contract is amended to read as follows:

"3. Payment Limit. Rent Board's total payments to Contractor under this Contract shall not exceed \$ **781,244.00** including expenses."

"The Rent Board shall not pay for services that exceed the Contract Payment Limit without the prior written approval of the Executive Director if the total Contract amount does not exceed \$10,000 or without the prior approval of the Rent Board if the total Contract amount is over \$10,000."

3. The Service Plan (Exhibit A) of the Original Contract is hereby amended to include the following tasks and/or services:

Contract Amendment between the City of Richmond and
Eviction Defense Center

Amendment No. 6 P.O./Contract No. 4160

AMENDMENT PROVISIONS (AMENDMENT HISTORY)

The **first** Contract Amendment was approved by the Rent Board or executed by the Executive Director on June 20, 2018 for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ 75,000.00 for a payment limit not to exceed \$ 112,500.00.
- Term Amendment (insert new termination date): June 30, 2019
- Service Plan

The **second** Contract Amendment was approved by the Rent Board or executed by the Executive Director on June 19, 2019 for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ 125,000.00 for a payment limit not to exceed \$ 237,500.00.
- Term Amendment (insert new termination date): June 30, 2020
- Service Plan

The **third** Contract Amendment was approved by the Rent Board or executed by the Executive Director on June 17, 2020 for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ 93,744.00 for a payment limit not to exceed \$ 331,244.00.
- Term Amendment (insert new termination date): June 30, 2021
- Service Plan

The **fourth** Contract Amendment was approved by City Council of the City of Richmond or executed by the City Manager on May 19, 2021 for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ 125,000.00 for a payment limit not to exceed \$ 456,244.00.
- Term Amendment (insert new termination date): June 30, 2022
- Service Plan

The **fifth** Contract Amendment was approved by City Council of the City of Richmond or executed by the City Manager on June 15, 2022 for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ 125,000.00 for a payment limit not to exceed \$ \$ 581,244.00.
- Term Amendment (insert new termination date): June 30, 2023
- Service Plan

Contract Amendment between the City of Richmond and
Eviction Defense Center

Amendment No. _____ P.O./Contract No. _____

6

The **sixth** Contract Amendment was approved by City Council of the City of Richmond or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ 200,000.00 _____ for a payment limit not to exceed \$ 781,244.00 _____.
- Term Amendment (insert new termination date): June 30, 2024 _____
- Service Plan

The **seventh** Contract Amendment was approved by City Council of the City of Richmond or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ _____ for a payment limit not to exceed \$ _____.
- Term Amendment (insert new termination date): _____
- Service Plan

The **eighth** Contract Amendment was approved by City Council of the City of Richmond or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ _____ for a payment limit not to exceed \$ _____.
- Term Amendment (insert new termination date): _____
- Service Plan

The **ninth** Contract Amendment was approved by City Council of the City of Richmond or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ _____ for a payment limit not to exceed \$ _____.
- Term Amendment (insert new termination date): _____
- Service Plan

The **tenth** Contract Amendment was approved by City Council of the City of Richmond or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ _____ for a payment limit not to exceed \$ _____.
- Term Amendment (insert new termination date): _____
- Service Plan

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Addendum A

Sanctuary City Contracting and
Investment Ordinance

No.12-18 N.S

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ORDINANCE NO. 12-18 N.S

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA,
ADOPTING A SANCTUARY CITY CONTRACTING AND INVESTMENT POLICY**

The City of Richmond does ordain as follows:

SECTION 1. Title

This ordinance shall be known as the Sanctuary City Contracting and Investment Ordinance.

SECTION 2. Definitions

- 1) "City" means the City of Richmond, California.
- 2) "Data Broker" (also commonly called information broker, information reseller, data aggregator, and information solution provider) means either of the following:
 - a) The collection of information, including personal information about consumers, from a wide variety of sources for the purposes of reselling such information to their customers, which include both private-sector businesses and government agencies;
 - b) The aggregation of data that was collected for another purpose from that for which it is ultimately used.
- 3) "Extreme Vetting" means data-mining, threat modeling, predictive risk analysis, or other similar service.
- 4) "ICE" means the United States Immigration and Customs Enforcement, and any subdivision thereof.
- 5) "Person or Entity" means any private natural person, corporation, institution, subsidiary, affiliate, or division under operating control of such person; the parent entities that have operating control over such person, and the subsidiaries, affiliates and divisions under operating control of such parent entity. Government entities, officers and employees are expressly excluded from this definition.

SECTION 3. Prohibition on Use of City Resources

- 1) No officer, employee, department, board, commission, City Council, City Manager, or other entity of the City shall enter into a new, amended, or extended contract or agreement with, any Person or Entity that provides ICE with any "Data Broker" or "Extreme Vetting" services, as defined herein, unless the City Council makes a specific determination that no reasonable alternative exists, taking into consideration the following:
 - a) The intent and purpose of this ordinance;
 - b) The availability of alternative services, goods and equipment; and

c) A declaration under the penalty of perjury executed by the Person or Entity, affirming that they do not provide Data Broker or Extreme Vetting services to ICE; and

d) Information submitted to the City Manager by any member of the public, and thereafter duly verified.

4) Any Person or Entity identified as a supplier of Data Broker or Extreme Vetting services to ICE and potentially affected by this section shall be notified by the City Manager of the determination. Any such Person or Entity shall be entitled to a review of the determination by appeal to the City Manager.

Request for such review shall be made within thirty (30) days of notification, or seven (7) days of the date of a City solicitation or notice of a pending contract or purchase, of interest to the Person or Entity seeking review. Any Person or Entity vendor so identified may appeal the City Manager's determination to the City Council, within fifteen (15) days of the determination.

SECTION 4. Prohibition on Investment

1) The City of Richmond shall not make any investment in stocks, bonds, securities, or other obligations issued by any provider of Data Broker or Extreme Vetting services to ICE.

2) The City Council shall adopt a plan with respect to pension fund investments and shall implement such a plan consistent with the intent of this act.

SECTION 5. Investigation And Reporting

1) The City Manager, or his or her designee, shall review compliance with Sections 3-4. The City Manager may initiate and shall receive and investigate all complaints regarding violations of Sections 3- 4. After investigating such complaints, the City Manager shall issue findings regarding any alleged violation. If the City Manager finds that a violation occurred, the City Manager shall, within 30 days of such finding, send a report of such finding to the City Council, the Mayor, and the head of any department involved in the violation or in which the violation occurred. All officers, employees, departments, boards, commissions, and other entities of the City shall cooperate with the City Manager in any investigation of a violation of Sections 3-4.

2) The City Manager shall coordinate with the City Attorney's office to remedy any such violations, and the City Attorney is authorized to use all legal measures available to rescind, terminate, or void contracts awarded in violation of this ordinance.

3) By April 1 of each year, each City department shall certify its compliance with this ordinance by written notice to the City Manager.

4) By May 1 of each year, the City Manager shall schedule and submit to the City Council a written, public report regarding the department's compliance with Sections 3-4 over the previous calendar year. At minimum, this report must (1) detail with specificity the steps the department has taken to ensure compliance with Sections 3-4, (2) disclose any issues with compliance, including any violations or potential violations of this Ordinance, and (3) detail actions taken to cure any deficiencies with compliance.

SECTION 6. Enforcement

1) *Cause of Action.* Any violation of this Ordinance constitutes an injury and a

SECTION 7. Severability

The provisions in this Ordinance are severable. If any part of provision of this Ordinance, or the application of this Ordinance to any person or circumstance, is held invalid, the remainder of this Ordinance, including the application of such part or provisions to other persons or circumstances, shall not be affected by such holding and shall continue to have force and effect.

SECTION 8. Construction

The provisions of this Ordinance are to be construed broadly to effectuate the purposes of this Ordinance.

SECTION 9. Effective Date

This Ordinance becomes effective thirty (30) days after its final passage and adoption.

First introduced at a regular meeting of the City Council on May 15, 2018, and finally passed and adopted at a regular meeting held on June 5, by the following vote:

AYES:	Councilmembers Choi, Martinez, Myrick, Recinos, and Vice Mayor Willis.
NOES:	Mayor Butt.
ABSTENTIONS:	None.
ABSENT:	Councilmember Beckles.

PAMELA CHRISTIAN
CLERK OF THE CITY OF RICHMOND
(SEAL)

Approved:
TOM BUTT
Mayor

Approved as to form:
BRUCE GOODMILLER
City Attorney

State of California }
County of Contra Costa } : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Ordinance No. 12-18 N.S.**, passed and adopted by the City Council of the City of Richmond at a regular meeting held on June 5, 2018.



Pamela Christian, City Clerk of the City of Richmond

**CITY OF RICHMOND
Sanctuary City Compliance Statement**

The undersigned, an authorized agent of _____ (hereafter "Contractor"), has had an opportunity to review the requirements of City of Richmond Ordinance 12-18 (hereafter "Sanctuary City Contracting Ordinance" or "SCCO"). Contractor understands and agrees that the City may choose with whom it will maintain business relations and may refrain from contracting with any person or entity that provides Data Broker or Extreme Vetting services to the U.S. Immigration and Customs Enforcement Division of the United States Department of Homeland Security ("ICE"). Contractor understands the meaning of the following terms used in the SCCO:

- a. "Data Broker" means either of the following:
 - i. The collection of information, including personal information about consumers, from a wide variety of sources for the purposes of reselling such information to their customers, which include both private-sector business and government agencies;
 - ii. The aggregation of data that was collected for another purpose from that for which it is ultimately used.
- b. "Extreme Vetting" means data mining, threat modeling, predictive risk analysis, or other similar services."

Contractor understands that it is not eligible to receive or retain a City contract if at the time the Contract is executed, or at any time during the term of the Contract, it provides Data Broker or Extreme Vetting services to ICE.

Contractor further understands and agrees that Contractor 's failure to comply with the SCCO shall constitute a material default of the Contract and the City Manager may terminate the Contract and bar Contractor from bidding on future contracts with the City for five (5) years from the effective date of the contract termination.

By executing this Statement, Contractor certifies that it complies with the requirements of the SCCO and that if at any time during the term of the Contract it ceases to comply, Contractor will promptly notify the City Manager in writing. Any person or entity who knowingly or willingly supplies false information in violation of the SCCO shall be guilty of a misdemeanor and subject to a \$1,000 fine.

Based on the foregoing, the undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this _____ day of _____, 20__, at _____, California.

Printed Name: _____ **Title:** _____

Signed: _____ **Date:** _____

Business Entity: _____

CITY OF RICHMOND RENT BOARD
STANDARD CONTRACT

Department: Rent Program	Project Manager: Nicolas Traylor
Project Manager E-mail: nicolas_traylor@ci.richmond.ca.us	Project Manager Phone No: 620-6564
Vendor No: 13140 PR No: 21800884	P.O./Contract No: 4160
Description of Services: Provide Eviction Defense Services to Richmond Tenants.	

- The parties to this STANDARD CONTRACT do mutually agree and promise as follows:
1. **Parties.** The parties to this Contract are the City Of Richmond Rent Board (herein referred to as the "City") and the following named Contractor:

Company Name: The Eviction Defense Center

Street Address: 350 Frank Ogawa Plaza, Suite 703

City, State, Zip Code: Oakland, CA 94612

Contact Person: Anne Tamiko Omura

Telephone: 510-452-4541

Email: tamiko23@sbcglobal.net

Business License No: 4005-6623

Expiration Date: 02/14/2019

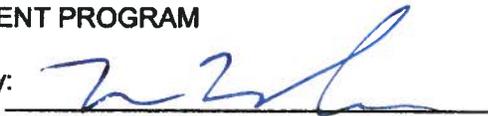
A California corporation, limited liability corporation general partnership, limited partnership, individual, non-profit corporation, individual dba as [specify:] _____
 other [specify:] _____

2. **Term.** The effective date of this Contract is February, 01 2018, and it terminates June 30, 2018, unless terminated as provided herein.
3. **Payment Limit.** City's total payments to Contractor under this Contract shall not exceed \$37,500. City shall not pay for services that exceed the Contract Payment Limit unless a contract amendment has been approved by the Rent Board or Executive Director.
4. **Contractor's Obligations.** Contractor shall provide those services and carry out that work described in the Service Plan (Exhibit A) which is attached hereto and is incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.
5. **City Obligations:** City shall make to the Contractor those payments described in the Payment Provisions (Exhibit B) which are attached hereto and are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.

- 6. Authorized Representatives and Notices. This Contract is subject to the Authorized Representatives and Notices Provisions (Exhibit C) which are attached hereto and are incorporated herein by reference.
- 7. General Conditions. This Contract is subject to the General Conditions (Exhibit D) which are attached hereto and are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.
- 8. Special Conditions. This Contract is subject to the Special Conditions (Exhibit E) (if any) which are attached hereto and are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.
- 9. Insurance Provisions. This Contract is subject to the Insurance Provisions (Exhibit F) which are attached hereto and are incorporated herein by reference.
- 10. Signatures. These signatures attest the parties' Contract hereto:

RENT PROGRAM

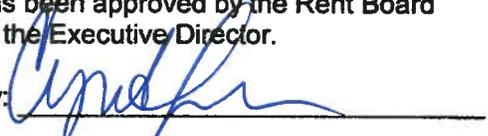
By: _____



Title: Executive Director

I hereby certify that this Contract has been approved by the Rent Board or the Executive Director.

By: _____



Board Clerk

Approved as to form:

By: _____

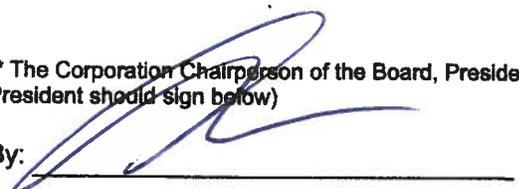


Board Legal Counsel

CONTRACTOR:

(* The Corporation Chairperson of the Board, President or Vice President should sign below)

By: _____

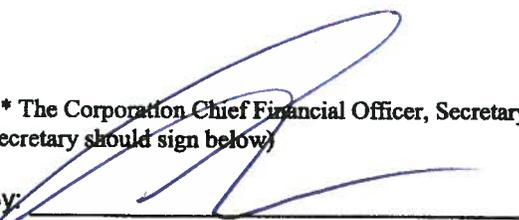


Title: EXECUTIVE DIRECTOR + CFO

Date Signed: 3/20/18

(* The Corporation Chief Financial Officer, Secretary or Assistant Secretary should sign below)

By: _____



Title: CFO

Date Signed: 3/20/18

(NOTE: Pursuant to California Corporations Code Section 313, if Contractor is a corporation or nonprofit organization, this Contract (1) must be signed by (a) the Chairperson of the Board, President or Vice-President and (b) the Secretary any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer.

LIST OF ATTACHMENTS:

- | | |
|----------------------------------------|-----------|
| Service Plan | Exhibit A |
| Payment Provisions | Exhibit B |
| Authorized Representatives and Notices | Exhibit C |
| General Conditions | Exhibit D |
| Special Conditions | Exhibit E |
| Insurance Provisions | Exhibit F |

Standard Contract/EJ/TE 9-26-07

**EXHIBIT A
SERVICE PLAN**

Contractor shall, to the satisfaction of the Executive Director, perform the following services and be compensated as outlined below:

The Eviction Defense Center will have the full-time equivalent of one attorney dedicated to Richmond cases and a part-time paralegal/case manager.

The Eviction Defense Center will be compensated \$6,250 per month, and will submit monthly invoices in accordance with Exhibit B. With this funding, the Eviction Defense Center shall anticipate serving a minimum of 15 Richmond tenants per month following referral from a Rent Program staff member. These tenants will receive pre-litigation counseling and review of documents with appropriate legal response and/or full representation in court at their unlawful detainer hearing.

In determining which tenants qualify for free legal services, the Eviction Defense Center will utilize the HUD guidelines to identify "low income" households in Contra Costa County. The Eviction Defense Center will use a sliding scale based on these income guidelines, as to not deny services to households who do not qualify as "low income."

The Eviction Defense Center will create an intake form to track client data. This form shall include, at a minimum, the client's name, address, contact information, race/ethnicity (optional), date of birth, language or other access to justice issues, monthly income and source, household information, monthly rent, landlord name, security deposit, move-in date, last time rent was paid/accepted, the type of notice the Tenant received, a description of the housing problem, and the client's goals. This form may also be used by Rent Program staff to make a direct referral to the Eviction Defense Center. The form may be faxed to the Eviction Defense Center with a follow-up call or email to confirm receipt.

The Eviction Defense Center will submit monthly reports detailing the number of clients served and pertinent data regarding their tenancies and demographics. These reports shall have client names and addresses redacted to preserve attorney/client privilege, with full records maintained at the Eviction Defense Offices for review if necessary.

Under no circumstances shall the Eviction Defense Center bill for travel time, unless pre-approved by the Executive Director or their designee.

**EXHIBIT B
PAYMENT PROVISIONS**

{PLEASE NOTE THAT THE RENT PROGRAM SHALL NOT PAY FOR SERVICES THAT EXCEED THE CONTRACT PAYMENT LIMIT UNLESS A CONTRACT AMENDMENT HAS BEEN APPROVED BY THE RENT BOARD OR EXECUTIVE DIRECTOR}

1. Provided Contractor is not in default under this Contract, Contractor shall be compensated as provided below.
2. Any and all payments made pursuant to this Contract shall be subject to the Contract Payment Limit. The Payment Limit includes expenses (phones, photo copying, meals and travel, etc.) Invoices, shall be adequately detailed, based on accurate records, and be in a form reasonably satisfactory to the City. Contractor may be required to provide back-up material upon request.
3. Contractor shall submit timely invoices to the following address:

Attention: City of Richmond Finance Department - Accounts Payable

Project Manager: Nicolas Traylor
4. All invoices that are submitted by Contractor shall be subject to the approval of the City Project Manager, Nicolas Traylor, before payments shall be authorized.
5. The City will pay invoice(s) within 45 days after completion of services to the City satisfaction. The City shall not pay late fees or interest.
6. A Richmond business license shall be obtained before any payment under this Contract shall be authorized and the business license must be kept current during the term of this Contract for payments to continue to be authorized.
7. All insurance coverage required by this Contract shall be provided by the Contractor before this Contract shall be executed by the City. The insurance coverage must be kept current during the term of this Contract for payments to continue to be authorized.

**EXHIBIT C
AUTHORIZED REPRESENTATIVES AND NOTICES**

1. **Notices.** All notices, demands, statements, or communications provided for by this Contract shall be in writing and may be delivered by deposit in the United States mail, postage prepaid. Notices to the City shall be addressed to the Department Head and (as delineated below in section 1.1) to the project manager responsible for the administration of or the supervision of the scope of work under this Contract. Notices to the Contractor shall be addressed to the party designated by Contractor (as delineated below in section 1.2). Notice shall be deemed delivered (a) upon personal delivery; (b) as of the fifth business day after mailing by United States certified mail, postage prepaid, addressed to the proper party; or (c) as of 12:00 p.m. on the second business day immediately after the day it is deposited with and accepted by Federal Express, or a similar overnight courier service, addressed to the proper party and marked for next business day morning delivery. For the purposes of this Contract, a "business day" means any day Monday through Friday that is not a holiday recognized by the federal government or the State of California.

1. 1 City hereby designates as its Authorized Representative the Project Manager whose name and address are as follows:

Nicolas Traylor

City Of Richmond Rent Program

440 Civic Center Plaza, Suite 200

Richmond, CA 94804

1. 2 CONTRACTOR hereby designates as its Authorized Representative the Project Manager whose name and address are as follows:

EXHIBIT D
GENERAL CONDITIONS

1. **Independent Contractor.** Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, joint venturer or partner of the City, but rather an independent Contractor. This Contract shall not be construed to create an agency, servant, employee, partnership, or joint venture relationship. As an independent Contractor, Contractor shall have no authority to bind City to any obligation or to act as City's agent except as expressly provided herein. Due to the independent Contractor relationship created by this Contract, City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
2. **Brokers.** Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.
3. **City Property.** The rights to applicable plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Contract, which, upon request, are to be delivered to City within a reasonable time, shall be deemed assigned to City. If applicable, Contractor shall prepare check prints upon request. Notwithstanding the foregoing, Contractor shall not be obligated to provide to City proprietary software or data which Contractor has developed or had developed for Contractor's own use; provided, however, that Contractor shall, pursuant to Section 15 below, indemnify, defend and hold harmless City from and against any discovery or Public Records Act request seeking the disclosure of such proprietary software or data.
4. **Patents, Trademarks, Copyrights and Rights in Data.** Contractor shall not publish or transfer any materials, discoveries, developments, concepts, designs, ideas, know how, improvements, inventions and/or original works of authorship resulting from activities supported by this Contract without the express prior written consent of the City Manager. If anything resulting from activities supported by this Contract is patentable, trademarkable, copyrightable or otherwise legally protectable, City reserves the exclusive right to seek such intellectual property rights. Notwithstanding the foregoing, Contractor may, after receiving City's prior written consent, seek patent, trademark, copyright or other intellectual property rights on anything resulting from activities supported by this Contract. However, City reserves, and Contractor irrevocably grants, a nonexclusive, fully paid-up, royalty-free, assumable, perpetual, worldwide license, with the right to transfer, sublicense, practice and exploit said license and the right to make, have made, copy, modify, make derivative works of, use, sell,

import, and otherwise distribute under all applicable intellectual properties without restriction of any kind said license.

Contractor further agrees to assist City, at City's expense, in every proper way to secure the City's rights in any patents, trademarks, copyrights or other intellectual property rights relating thereto, including the disclosure to City of all pertinent information and data with respect thereto. Contractor shall also assist City in the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments which City shall deem necessary in order to apply for, obtain, maintain and transfer such rights, or if not transferable, to waive such rights. Contractor shall further assist City in the execution of all applications, specifications, oaths, assignments, recordations and all other instruments which City shall deem necessary in order to assign and convey to City, and any assigns and nominees the sole and exclusive right, title and interest in and to any patents, trademarks, copyrights or other intellectual property rights relating thereto. Contractor further agrees that its obligation to execute or cause to be executed, when it is in Contractor's power to do so, any such instruments or papers shall continue during and at all times after the end of Contractor's services and until the expiration of the last such intellectual property right. Contractor hereby irrevocably designates and appoints City, and its duly authorized officers, agents and servants, as its agent and attorney-in-fact, to act for and in its behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance or transfer of letters of patents, copyright and other registrations. This power of attorney is coupled with an interest and shall not be affected by Contractor's subsequent incapacity.

5. Inspection. Contractor's performance, place of business and records pertaining to this Contract are subject to monitoring, inspection, review and audit by authorized representatives of the CITY, the State of California, and the United States Government.

If the project or services set forth in Exhibit A shall be performed on City or other public property, City shall have the right to inspect such work without notice. If such project or services shall not be performed on City or other public property, City shall have the right to inspect such work upon reasonable notice.

6. Services. The project or services set forth in Exhibit A shall be performed to the full satisfaction and approval of City. In the event that the project or services set forth in Exhibit A are also itemized by price, City, in its sole discretion, may, upon notice to Contractor, delete certain items or services set forth in Exhibit A, in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor.

Contractor shall, at its own cost and expense, furnish all facilities and equipment necessary for Contractor to complete the project or perform the services required herein, unless otherwise provided in Exhibit A.

7. Records. Contractor shall keep and make available for inspection and copying by authorized representatives of the City, the State of California, and the United States Government, the Contractor's regular business records and such additional records pertaining to this Contract as may be required by the City.

Contractor shall retain all documents pertaining to this Contract for a period of four (4) years after this Contract's termination (or for any further period that is required by law) and until all Federal or State audits are complete and exceptions resolved for this contract's funding period. Upon request, contractor shall make these records available to authorized representatives of the CITY, the State of California, and the United States Government.

Contractor shall keep full and detailed accounts, maintain records, and exercise such controls as may be necessary for proper financial management under this Contract. The Contractor's accounting and control systems shall be satisfactory to City. Contractor's accounting systems shall conform to generally accepted accounting principles and all records shall provide a breakdown of total costs charged under this Contract, including properly executed payrolls, time records, utility bills, invoices and vouchers. The City shall be afforded prompt access to Contractor's records, books, and Contractor shall preserve such project records for a period of at least four (4) years after the termination of this Contract, or for such longer period as may be required by law.

Contractor shall permit City and its authorized representatives and accountants to inspect, examine and copy Contractor's books, records, accounts, correspondence, instructions, drawings, receipts, subcontracts, purchase orders, vouchers, memoranda and other data relating to the project or services set forth in Exhibit A, and any and all data relevant to this Contract at any reasonable time for the purpose of auditing and verifying statements, invoices, or bills submitted by Contractor pursuant to this Contract and shall provide such assistance as may be reasonably required in the course of such inspection. Contractor shall also allow City access to the record keeping and accounting personnel of Contractor. City further reserves the right to examine and re-examine said books, records, accounts, and data during the four (4) year period following the termination of this Contract; and Contractor shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatever for four (4) years after the termination of this Contract.

Pursuant to California Government Code § 10527, the parties to this Contract shall be subject to the examination and audit of representatives of the Auditor General of the State of California for a period of three (3) years after final payment under this Contract. The examination and audit shall be confined to those matters connected with the performance of this Contract including, but not limited to, the cost of administering this Contract.

8. Changes and Extra Work. All changes and/or extra work under this Contract shall be performed and paid for in accordance with the following:

Only the City Council or the City Manager may authorize extra and/or changed work. Contractor expressly recognizes that other City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Contractor to secure the authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Contractor thereafter shall be entitled to no compensation whatsoever for performance of such extra and/or changed work.

If Contractor is of the opinion that any work which Contractor has been directed to perform is beyond the scope of this Contract and constitutes extra work, Contractor shall promptly notify City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Contract and constitutes extra work. In the event that City determines that such work does constitute extra work, City shall provide extra compensation to Contractor on a fair and equitable basis. A change order or Contract Amendment providing for such compensation for extra work shall be negotiated between City and Contractor and executed by Contractor and the appropriate City official.

In the event City determines that such work does not constitute extra work, Contractor shall not be paid extra compensation above that provided herein and if such determination is made by City staff, said determination may be appealed to the City Council; provided, however, a written appeal must be submitted to the City Manager within five (5) days after the staff's determination is sent to Contractor. Said written appeal shall include a description of each and every ground upon which Contractor challenges the staff's determination.

9. Additional Assistance. If this Contract requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue

any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of Section 8 of these General Conditions.

10. Professional Ability. Contractor acknowledges, represents and warrants that Contractor and its employees are skilled and able to competently provide the services hereunder, and possess all professional licenses, certifications, and approvals necessary to engage in their occupations. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Contract. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession. In the event that City, in its sole discretion, desires the removal of any person employed or retained by Contractor to perform services hereunder, such person shall be removed immediately upon receiving notice from City.
11. Business License. Contractor shall obtain a Richmond Business License before performing any services required under this Contract. The failure to so obtain such license shall be a material breach of this Contract and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual or extraordinary circumstances without necessitating any modification of this Contract to reflect such waiver.
12. Termination Without Default. Notwithstanding any provision herein to the contrary, City may, in its sole and absolute discretion and without cause, terminate this Contract at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. Contractor may terminate this Contract at any time in its sole and absolute discretion and without cause upon 30 days' written notice to City. In the event of termination by either party, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; (2) necessary materials or services of others ordered by Contractor for this Contract, prior to receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to City. Additionally, in the event of such termination, the City may proceed with the work in any reasonable manner it chooses.

13. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Contract, City may immediately terminate this Contract by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided in Section 12 of these General Conditions; provided, however, there shall be deducted from such amount the amount of damage, including attorney's fees, expert witness fees and costs, if any, sustained by City by virtue of Contractor's breach of this Contract. Additionally, in the event of such termination, the City may proceed with the work in any reasonable manner it chooses.

14. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Contract. Contractor further acknowledges, represents and warrants that no City official or employee has any economic interest, as defined in Title 2, California Code of Regulations §§ 18703.1 through 18703.5, with Contractor that would invalidate this Contract. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Contract, all consideration received under this Contract shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Contract for one (1) year.

15. Indemnification.

(a) If this Contract is a contract for design professional services subject to California Civil Code Section 2782.8(a) and Contractor is a design professional, as defined in California Civil Code Section 2782.8(b)(2), Contractor shall hold harmless, defend and indemnify the City, its officers, agents, employees, and volunteers from and against any and all claims, damages, losses, and expenses including attorneys' fees arising out of, or pertaining to, or relating to the negligence, recklessness, or willful misconduct of the Contractor, except where caused by the active negligence, sole negligence, or willful misconduct of the City. To the fullest extent permitted by law, Contractor shall immediately defend and indemnify the City and its officers, agents, employees, and volunteers from and against any and all liabilities, regardless of nature or type, that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Contractor, or its employees, agents, or subcontractors. Liabilities subject to the duties to defend and indemnify include, without limitation, any and all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. Contractor's obligation to

For the Contract between the City of
Richmond Rent Board and

- indemnify applies unless it is finally adjudicated that the liability was caused by the sole active negligence or sole willful misconduct of an indemnified party.
- (b) If this Contract is not a contract for design professional services subject to California Civil Code Section 2782.8(a) or Contractor is not a design professional as defined in California Civil Code Section 2782.8(b)(2), Contractor shall indemnify, defend, and hold harmless the City, its officers, agents, employees and volunteers from any and all claims, suits, or actions of every name, kind and description, brought forth on account of injuries to or death of any person or damage to property arising from or connected with the willful misconduct, negligent acts, errors or omissions, ultra-hazardous activities, activities giving rise to strict liability, or defects in design by Contractor or any person directly or indirectly employed by, or acting as, the agent for Contractor in the performance of this Contract, including the concurrent or successive passive negligence of the City, its officers, agents, employees or volunteers.
- (c) It is understood that the duty of Contractor to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Contractor shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the City, the City and its officers, agents, employees, and volunteers, immediately upon tender to Contractor of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. An allegation or determination that persons other than Contractor are responsible for the claim does not relieve Contractor from its separate and distinct obligation to defend under this Section 15. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes an obligation to provide independent counsel if Contractor asserts that liability is caused in whole, or in part, by the negligence or willful misconduct of an indemnified party.
- (d) The review, acceptance or approval of the Contractor's work or work product by any indemnified party shall not affect, relieve or reduce the Contractor's indemnification or defense obligations. This Section 15 survives completion of the services or the termination of this Contract. The provisions of this Section 15 are not limited by, and do not affect, the provisions of this Contract relating to insurance.
- (e) Acceptance of insurance certificates and endorsements required under this Contract does not relieve Contractor from liability under this Section 15. This Section 15 shall apply whether or not such insurance policies are determined to be applicable to any such damages or claims for damages.
16. Safety. Contractor acknowledges that the City is committed to the highest standards of workplace safety. Contractor shall perform all work hereunder in full compliance with applicable local, state and federal safety requirements including but not limited to Occupational Safety and Health Administration requirements, and shall assume sole and complete responsibility for the safety of Contractor's employees and any subContractor's employees. If a death, serious personal injury or substantial property damage occurs in connection with the performance of this Contract, Contractor shall immediately notify the City by telephone.
17. Insurance. Insurance requirements are set forth in Exhibit F to this Contract. Contractor shall abide by the insurance requirements set forth in said Exhibit F.
18. Non-Liability of Officials and Employees of the City. No official or employee of the City

For the Contract between the City of
Richmond Rent Board and

shall be personally liable for any default or liability under this Contract.

19. **Compliance with Laws.** Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Contract, including without limitation environmental laws, employment discrimination laws and prevailing wage laws. Compliance under this provision includes compliance with all provisions of the Richmond Municipal Code ("Municipal Code"), including Chapters 2.50, 2.52, 2.56, and 2.60, if applicable.

Contractor acknowledges that under § 2.60.070 of the Municipal Code ("Living Wage Ordinance"), Contractor shall promptly provide to City documents and information verifying its compliance with the Living Wage Ordinance. Also as prescribed in § 2.60.070, Contractor shall notify each of its affected employees with regards to the wages that are required to be paid pursuant to the Living Wage Ordinance.

Contractor shall comply with § 2.28.030 of the Municipal Code, obligating every Contractor or subcontractor under a contract or subcontract with the City for public work or for goods or for services to refrain from discriminatory employment or subcontracting practices on the basis of race, color, sex, sexual orientation, religious creed, national origin or ancestry of any employee, any applicant for employment or any potential subcontractor.

Contractor acknowledges that the City's Drug Free Workplace Policy, Violence in the Workplace Policy and the Policy Against Workplace Harassment, are available on the City's website at <http://www.ci.richmond.ca.us/workplacepolicies> . Contractor agrees to abide by the terms and conditions of said policies.

20. **Limitations upon Subcontracting and Assignment.** This Contract binds the heirs, successors, assigns and representatives of Contractor. The Contractor shall not enter into subcontracts for any work contemplated

under this Contract and shall not assign this Contract, nor any portion hereof or monies due or to become due, without the prior written consent of the City Council or its designee.

Contractor acknowledges that the services which Contractor shall provide under this Contract are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in City's sole and absolute discretion. In the event that City, in writing, approves any assignment or subletting of this Contract or the retention of subcontractors by Contractor, Contractor shall provide to City upon request copies of each and every subcontract contract prior to the execution thereof by Contractor and subcontractor. Any assignment by Contractor of any or all of its rights under this Contract without first obtaining City's prior written consent shall be a default under this Contract.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Contractor (if applicable), or of the interest of any general partner or joint venturer or syndicate member if Contractor is a partnership or joint-venture or syndicate, which shall result in a change of control of

For the Contract between the City of
Richmond Rent Board and

Contractor, shall be deemed an assignment. For this purpose, control shall mean fifty percent or more of the voting power or twenty-five percent or more of the assets of the corporation, partnership or joint-venture.

21. Integration. This Contract constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the Exhibits to this Contract.
22. Modifications and Amendments. This Contract may be modified or amended only by a change order or Contract Amendment executed by both parties and approved as to form by the City Attorney.
23. Conflicting Provisions. In the event of a conflict between these General Conditions and those of any Exhibit or attachment hereto, these General Conditions shall prevail; provided, however, that any Special Conditions as set forth in Exhibit E shall prevail over these General Conditions. In the event of a conflict between the terms and conditions of any two or more Exhibits or attachments hereto, those prepared by City shall prevail over those prepared by the Contractor, and the terms and conditions preferred by the City shall prevail over those preferred by the Contractor.
24. Non-exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and
- City reserves the right to employ other Contractors in connection with the project.
25. Exhibits. All Exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit A which does not pertain to the project description, proposal, scope of services, or method of compensation (as applicable) , or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Contract.
26. Force Majeure. Neither party hereto shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such an obligation is prevented or delayed by reason of acts of God, strikes, boycotts, lock-outs, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations enacted after the date of this Contract, riots, civil unrest, acts of terrorism, insurrection, war, declaration of a state or national emergency or other reasons of a like nature not within the reasonable control of such party.
27. Time of the Essence. Time is of the essence of this Contract. Contractor and City agree that any time period set forth in Exhibit A represents their best estimates with respect to completion dates and both Contractor and City acknowledge that departures from the schedule may occur. Therefore, both Contractor and City will use reasonable efforts to notify one another of changes to the schedule. Contractor shall not be responsible for performance delays caused by others, or delays beyond Contractor's control, and such delays shall extend the times for performance of Contractor's work.

**ITEM F-2
ATTACHMENT 3**

For the Contract between the City of
Richmond Rent Board and

- 28. Confidentiality.** Contractor agrees to comply with, and to require its employees, agents and partners to comply with, all applicable State or Federal statutes or regulations respecting confidentially, including but not limited to, the identity of persons served under this Contract, their records, or services provided them, and assures that:
- All applications and records concerning any individual made or kept by Contractor or any public officer or agency in connection with the administration of or relating to services provided under this Contract will be confidential, and will not be open to examination for any purposes not directly connected with the administration of such service.
- No person will publish or disclose or permit or cause to be published or disclosed, any list of persons receiving services, except as may be required in the administration of such service.
- 29. Third Parties.** Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Contract shall not be considered "third parties."
- 30. Governing Law.** This Contract shall be construed in accordance with the law of the State of California without regard to principles of conflicts of law. This Contract is made in Contra Costa County, California, and any action relating to this Contract shall be instituted and prosecuted in the courts of Contra Costa County, California.
- 31. Nonrenewal.** Contractor understands and agrees that there is no representation, implication, or understanding that the services provided by Contractor under this Contract will be purchased or renewed by the City under a new contract following expiration or termination of this Contract, and waives all rights or claims to notice or hearing respecting any failure by City to continue the purchase of all or any failure to continue purchase of all or any such services from Contractor.
- 32. Claims.** Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 et seq. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six months after accrual of the cause of action.
- 33. Interpretation.** This Contract shall be interpreted as if drafted by both parties.
- 34. Warranty.** In the event that any product shall be provided to the City as part of this Contract, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets any specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of one hundred and eighty (180) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping.

For the Contract between the City of
Richmond Rent Board and

35. Severability. In the event that any of the provisions or portions or applications thereof of this Contract are held to be unenforceable or invalid by any court of competent jurisdiction, City and Contractor shall negotiate an equitable adjustment in the provisions of the Contract with a view

toward effecting the purpose of this Contract, and the validity and enforceability of the remaining provisions or portions or applications thereof, shall not be affected thereby.

36. Authority. City warrants and represents that the signatory hereto (the Mayor of the City of Richmond or the City Manager) is duly authorized to enter into and execute this Contract on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Contract on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Contract on behalf of Contractor.

37. Waiver. The waiver by City of any breach of any term or provision of this Contract shall not be construed as a waiver of any subsequent breach. Inspections or approvals, or statements by any officer, agent or employee of the City relating to the Contractor's performance, or payments therefore, or any combination of these acts, shall not relieve the Contractor's obligation to fulfill this Contract as prescribed; nor shall the City be thereby stopped from bringing any action for damages or enforcement arising from any failure to comply with any of the terms and conditions of this Contract.

38. Possessory Interest. If this Contract results in the Contractor having possession of, claim to or right to the possession of land or improvements, but does not vest ownership of the land or improvements in the same person, or if this Contract results in the placement of taxable improvements on tax exempt land (Revenue and Taxation Code 107), such interest or improvements may represent a possessory interest subject to property tax, and Contractor may be subject to the payment of property taxes levied on such interest.

39. Performance and Final Acceptance.

Contractor represents that it is experienced, qualified, registered, licensed, equipped, organized and financed to perform the services under this Contract.

Contractor shall perform the services under this Contract with that degree of skill and judgment normally exercised by professional firms performing services of a similar nature in the State of California, and shall be responsible for the professional quality, technical accuracy and coordination of the services it performs under this Contract. In addition to the other rights and remedies which City may have, Contractor shall, at its own expense, correct any services which fail to meet the above standard.

City shall provide Contractor an opportunity to cure errors and omission which may be disclosed during the review of submittals, with no increase in the authorized Contract Payment Limit. Should Contractor fail to make necessary corrections in a timely manner, such corrections shall be made by the City and the cost thereof shall be charged to Contractor.

ITEM F-2
ATTACHMENT 3

For the Contract between the City of
Richmond Rent Board and

If warranted, City shall determine, and Contractor may request such determination, that Contractor has satisfactorily completed performance of this Contract. Upon such determination, City shall issue to Contractor a written Notice of Final Acceptance, after which Contractor shall not incur further costs under this Contract. Contractor shall respond to such Notice of Final Acceptance by executing and submitting to City a Release and Certificate of Final Payment.

40. Survival. The rights and obligations of the parties which by their nature survive termination or completion of the services covered by this Contract shall remain in full force and effect after termination or completion.

**ITEM F-2
ATTACHMENT 3**

For the Contract between the City of
Richmond Rent Board and

**EXHIBIT E
SPECIAL CONDITIONS**

The General Conditions are hereby amended to include the following modifications
and/or provisions (if applicable):

For the Contract between the City of
Richmond Rent Board and

**EXHIBIT F
INSURANCE PROVISIONS**

During the entire term of this Contract and any extension or modification thereof, the CONTRACTOR shall keep in effect insurance policies meeting the insurance requirements specified in the insurance provisions which are attached hereto and incorporated herein by this reference.

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: June 26, 2023

Final Decision Date Deadline: June 26, 2023

STATEMENT OF THE ISSUE: In November 2020, staff members issued a request for proposals (RFP) for interpretation services to be utilized by Hearings and Public Information Units. On March 1, 2021, in accordance with the City's procurement policies, the Rent Program entered into a contract with Interpreters Unlimited, to provide interpretation services to the agency through June 30, 2022, with a payment limit not to exceed \$3,000. Staff members are requesting Rent Board approval of the third amendment to the contract to extend the term through June 30, 2024, and increase the payment limit by \$15,000 of budgeted funds to cover anticipated expenses in Fiscal Year 2023-24.

INDICATE APPROPRIATE BODY

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

ITEM

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

RECOMMENDED ACTION: APPROVE an amendment to the contract for interpretation services with Interpreters Unlimited, increasing the contract amount by \$15,000 for Fiscal Year 2023-24, to a total not to exceed \$32,000 and modifying the term to commence on July 1, 2023, through June 30, 2024 –Rent Program (Nicolas Traylor).

AGENDA ITEM NO:

F-3.

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AGENDA REPORT

DATE: June 26, 2023

TO: Chair Cantor and Members of the Rent Board

FROM: Nicolas Traylor, Executive Director

SUBJECT: THIRD AMENDMENT WITH INTERPRETERS UNLIMITED FOR INTERPRETATION SERVICES

STATEMENT OF THE ISSUE:

In November 2020, staff members issued a request for proposals (RFP) for interpretation services to be utilized by Hearings and Public Information Units. On March 1, 2021, in accordance with the City's procurement policies, the Rent Program entered into a contract with Interpreters Unlimited, to provide interpretation services to the agency through June 30, 2022, with a payment limit not to exceed \$3,000. Staff members are requesting Rent Board approval of the third amendment to the contract to extend the term through June 30, 2024, and increase the payment limit by \$19,200 of budgeted funds to cover anticipated expenses in Fiscal Year 2023-24.

RECOMMENDED ACTION:

APPROVE an amendment to the contract for interpretation services with Interpreters Unlimited, increasing the contract amount by \$19,200 for Fiscal Year 2023-24, to a total not to exceed \$36,200¹ and modifying the term to commence on July 1, 2023, through June 30, 2024 –Rent Program (Nicolas Traylor).

FISCAL IMPACT:

The Fiscal Year 2023-24 Rent Program budget, adopted by the Rent Board on June 26, 2023, allocates \$19,200 for interpretation services to obtain the requested deliverables. Staff members anticipate awarding Interpreters Unlimited as the qualified vendor to provide services in a total contract amount not to exceed \$19,200.

¹ Amount is the ongoing total from the Original Contract, March 01, 2021. See Attachment 1 for contract payment history.

DISCUSSION:

Background

In November 2020, staff members issued a request for proposals (RFP) for interpretation services to be utilized by Hearings and Public Information Units. On February 17, 2021, the Board approved a contract for interpretation services with Interpreters Unlimited with payment limit not to exceed \$3,000 for the term March 1, 2021, through June 30, 2021. Staff members are requesting Rent Board approval of a third amendment to the contract to extend the term through June 30, 2024, and increase the payment limit by \$19,200 of budgeted funds to cover anticipated expenses in Fiscal Year 2023-24.

Interpreters Unlimited provides certified, accredited interpreters accessible onsite, telephone or video conference as requested by Rent Board staff, to provide interpretation services for Petition Hearings, Appeal Hearings, Counseling Sessions and Community Workshops, or similar events.

Conclusion

Staff members recommend approval of a contract for interpretation services with Interpreters Unlimited, with a payment limit not to exceed \$19,200 for Fiscal Year 2023-24 (July 1, 2023 – June 30, 2024).

DOCUMENTS ATTACHED:

Attachment 1 – Third Contract Amendment and Scope of Services

Attachment 2 – Addendum A: Sanctuary City Contracting and Investment Ordinance

Attachment 3 – Original Contract

**CITY OF RICHMOND F9BH'DFC; F5 A
.....CONTRACT AMENDMENT**

Department: Rent Board	Project Manager: Nicolas Traylor
Project Manager E-mail: nicolas_traylor@ci.richmond.ca.us	Project Manager Phone No: (510) 620-6465
P.R. No: Vendor No: 14914	P.O./Contract No: 5514
Description of Services: Provide on site, teleconference and video conference interpretation services.	
Amendment No. 3 modifies the: (2nd or subsequent amendments attach Amendment History page)	
<input checked="" type="checkbox"/> Term, Payment Limit and Service Plan	<input type="checkbox"/> Payment Limit and Service Plan
<input type="checkbox"/> Term and Service Plan	<input type="checkbox"/> Service Plan

The parties to this Contract Amendment do mutually agree and promise as follows:

- Parties. The parties to this Contract Amendment are the City of Richmond, California, a municipal corporation (City), and the following named Contractor:

Company Name: Interpreters Unlimited
 Street Address: 10650 Treena Street, Suite 308
 City, State, Zip Code: San Diego, CA 92131
 Contact Person: Shamus Sayed
 Telephone: (858) 866-1130 Email: shamus.sayed@iugroup.com
 Business License No: 40061088 / Expiration Date: December 31, 2023

A California corporation, limited liability corporation general partnership, limited partnership, individual, non-profit corporation, individual dba as [specify:] _____ other [specify:] _____

- Purpose. This Contract Amendment is being entered into to amend the Contract between City and Contractor which was approved by the City Council on February 17, 2021, which original term commenced on March 1, 2021 and terminates June 30, 2021 with an original contract payment limit of \$3,000.00. Said contract shall hereinafter be referred to as the "Original Contract" and is incorporated herein by reference.

- Original Contract Provisions. The parties hereto agree to continue to abide by those terms and conditions of the Original Contract, and any amendments thereto, which are unaffected by this Contract Amendment.

4. Amendment Provisions. This Contract Amendment is subject to the Amendment Provisions attached hereto, which are incorporated herein by reference, and which control over any conflicting provisions of the Original Contract, or any amendment thereto.

5. City of Richmond Business License Active Status Maintained. Pursuant to Municipal Code Section 7.04.030, the Contractor must maintain its City of Richmond business license for this Contract Amendment to be deemed to be in effect.

6. Insurance Coverage Updated and Maintained. Pursuant to the Original Contract, the Contractor shall provide the City with updated insurance certificates, and the Contractor shall maintain insurance coverage, for this Contract Amendment to be deemed to be in effect.

7. Signatures. These signatures attest the parties' agreement hereto:

CITY OF RICHMOND, CALIFORNIA
a municipal corporation

CONTRACTOR:

By _____

Interpreters Unlimited

(*The Corporation Chairperson of the Board, President or Vice-President should sign on the line below.)

Title:

By _____

I hereby certify that the Original Contract and this Amendment have been approved by the _____ or executed by the _____

Title: _____

(*The Corporation Chief Financial Officer, Secretary or Assistant Secretary should sign on the line below.)

By _____
Attorney

By: _____

Title: _____

Approved as to form:

(NOTE: Pursuant to California Corporations Code Section 313, if Contractor is a corporation or nonprofit organization, this Contract (1) should be signed by the Chairperson of the Board, President or Vice-President and the Chief Financial Officer, Secretary or Assistant Secretary; (2) should have both signatures conform to designated representative groups pursuant to Corporations Code Section 313.

By _____
Attorney

List of Attachments:

- 1. Amendment Provisions
- 2. Updated Insurance Certificates

Contract Amendment between the City of Richmond and

Interpreters Unlimited

Amendment No.

P.O./Contract No.

3

5514

AMENDMENT PROVISIONS (TERM, PAYMENT LIMIT AND SERVICE PLAN)

1. Paragraph 2 (Term) of the Original Contract is hereby amended to extend the Contract term. Paragraph 2 of the Original Contract is amended to read as follows:

"2. Term. The effective date of this Contract is

March 1, 2021

(Insert original contract commencement date)

and it terminates

June 30, 2024

(Insert new contract termination date)

unless sooner terminated as provided herein."

2. Paragraph 3 (Payment Limit) of the Original Contract is hereby amended to increase the payment limit by \$ **19,200.00** . Paragraph 3 of the Original Contract is amended to read as follows:

"3. Payment Limit. City's total payments to Contractor under this Contract shall not exceed \$ **36,200.00** including expenses."

"The City of Richmond shall not pay for services that exceed the Contract Payment Limit without the prior written approval of the City Council; if the total Contract amount does not exceed \$10,000 or without the prior approval of the City Council if the total Contract amount is over \$10,000."

3. The Service Plan (Exhibit A) of the Original Contract is hereby amended to include the following tasks and/or services:

N/A

Contract Amendment between the City of Richmond and

Interpreters Unlimited

Amendment No.

P.O./Contract No.

3

5514

AMENDMENT PROVISIONS (AMENDMENT HISTORY)

The **first** Contract Amendment was approved by the Rent Board or executed by the Executive Director on May 19, 2021 for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ 6,000.00 for a payment limit not to exceed \$ 9,000.00.
- Term Amendment (insert new termination date): June 30, 2022
- Service Plan

The **second** Contract Amendment was approved by the Rent Board or executed by the Executive Director on June 15, 2022 for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ 8,000.00 for a payment limit not to exceed \$ 17,000.00.
- Term Amendment (insert new termination date): June 30, 2023
- Service Plan

The **third** Contract Amendment was approved by the Rent Board or executed by the Executive Director on June 26, 2023 for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ 19,200.00 for a payment limit not to exceed \$ 36,200.00.
- Term Amendment (insert new termination date): June 30, 2024
- Service Plan

The **fourth** Contract Amendment was approved by City Council of the City of Richmond or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ _____ for a payment limit not to exceed \$ _____.
- Term Amendment (insert new termination date): _____
- Service Plan

The **fifth** Contract Amendment was approved by City Council of the City of Richmond or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ _____ for a payment limit not to exceed \$ _____.
- Term Amendment (insert new termination date): _____
- Service Plan

Addendum A

Sanctuary City Contracting and
Investment Ordinance

No.12-18 N.S

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ORDINANCE NO. 12-18 N.S

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA,
ADOPTING A SANCTUARY CITY CONTRACTING AND INVESTMENT POLICY**

The City of Richmond does ordain as follows:

SECTION 1. Title

This ordinance shall be known as the Sanctuary City Contracting and Investment Ordinance.

SECTION 2. Definitions

- 1) "City" means the City of Richmond, California.
- 2) "Data Broker" (also commonly called information broker, information reseller, data aggregator, and information solution provider) means either of the following:
 - a) The collection of information, including personal information about consumers, from a wide variety of sources for the purposes of reselling such information to their customers, which include both private-sector businesses and government agencies;
 - b) The aggregation of data that was collected for another purpose from that for which it is ultimately used.
- 3) "Extreme Vetting" means data-mining, threat modeling, predictive risk analysis, or other similar service.
- 4) "ICE" means the United States Immigration and Customs Enforcement, and any subdivision thereof.
- 5) "Person or Entity" means any private natural person, corporation, institution, subsidiary, affiliate, or division under operating control of such person; the parent entities that have operating control over such person, and the subsidiaries, affiliates and divisions under operating control of such parent entity. Government entities, officers and employees are expressly excluded from this definition.

SECTION 3. Prohibition on Use of City Resources

- 1) No officer, employee, department, board, commission, City Council, City Manager, or other entity of the City shall enter into a new, amended, or extended contract or agreement with, any Person or Entity that provides ICE with any "Data Broker" or "Extreme Vetting" services, as defined herein, unless the City Council makes a specific determination that no reasonable alternative exists, taking into consideration the following:
 - a) The intent and purpose of this ordinance;
 - b) The availability of alternative services, goods and equipment; and

c) A declaration under the penalty of perjury executed by the Person or Entity, affirming that they do not provide Data Broker or Extreme Vetting services to ICE; and

d) Information submitted to the City Manager by any member of the public, and thereafter duly verified.

4) Any Person or Entity identified as a supplier of Data Broker or Extreme Vetting services to ICE and potentially affected by this section shall be notified by the City Manager of the determination. Any such Person or Entity shall be entitled to a review of the determination by appeal to the City Manager.

Request for such review shall be made within thirty (30) days of notification, or seven (7) days of the date of a City solicitation or notice of a pending contract or purchase, of interest to the Person or Entity seeking review. Any Person or Entity vendor so identified may appeal the City Manager's determination to the City Council, within fifteen (15) days of the determination.

SECTION 4. Prohibition on Investment

1) The City of Richmond shall not make any investment in stocks, bonds, securities, or other obligations issued by any provider of Data Broker or Extreme Vetting services to ICE.

2) The City Council shall adopt a plan with respect to pension fund investments and shall implement such a plan consistent with the intent of this act.

SECTION 5. Investigation And Reporting

1) The City Manager, or his or her designee, shall review compliance with Sections 3-4. The City Manager may initiate and shall receive and investigate all complaints regarding violations of Sections 3- 4. After investigating such complaints, the City Manager shall issue findings regarding any alleged violation. If the City Manager finds that a violation occurred, the City Manager shall, within 30 days of such finding, send a report of such finding to the City Council, the Mayor, and the head of any department involved in the violation or in which the violation occurred. All officers, employees, departments, boards, commissions, and other entities of the City shall cooperate with the City Manager in any investigation of a violation of Sections 3-4.

2) The City Manager shall coordinate with the City Attorney's office to remedy any such violations, and the City Attorney is authorized to use all legal measures available to rescind, terminate, or void contracts awarded in violation of this ordinance.

3) By April 1 of each year, each City department shall certify its compliance with this ordinance by written notice to the City Manager.

4) By May 1 of each year, the City Manager shall schedule and submit to the City Council a written, public report regarding the department's compliance with Sections 3-4 over the previous calendar year. At minimum, this report must (1) detail with specificity the steps the department has taken to ensure compliance with Sections 3-4, (2) disclose any issues with compliance, including any violations or potential violations of this Ordinance, and (3) detail actions taken to cure any deficiencies with compliance.

SECTION 6. Enforcement

1) *Cause of Action.* Any violation of this Ordinance constitutes an injury and a

SECTION 7. Severability

The provisions in this Ordinance are severable. If any part of provision of this Ordinance, or the application of this Ordinance to any person or circumstance, is held invalid, the remainder of this Ordinance, including the application of such part or provisions to other persons or circumstances, shall not be affected by such holding and shall continue to have force and effect.

SECTION 8. Construction

The provisions of this Ordinance are to be construed broadly to effectuate the purposes of this Ordinance.

SECTION 9. Effective Date

This Ordinance becomes effective thirty (30) days after its final passage and adoption.

First introduced at a regular meeting of the City Council on May 15, 2018, and finally passed and adopted at a regular meeting held on June 5, by the following vote:

AYES:	Councilmembers Choi, Martinez, Myrick, Recinos, and Vice Mayor Willis.
NOES:	Mayor Butt.
ABSTENTIONS:	None.
ABSENT:	Councilmember Beckles.

PAMELA CHRISTIAN
CLERK OF THE CITY OF RICHMOND
(SEAL)

Approved:
TOM BUTT
Mayor

Approved as to form:
BRUCE GOODMILLER
City Attorney

State of California }
County of Contra Costa } : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Ordinance No. 12-18 N.S.**, passed and adopted by the City Council of the City of Richmond at a regular meeting held on June 5, 2018.



Pamela Christian, City Clerk of the City of Richmond

**CITY OF RICHMOND
Sanctuary City Compliance Statement**

The undersigned, an authorized agent of _____ (hereafter "Contractor"), has had an opportunity to review the requirements of City of Richmond Ordinance 12-18 (hereafter "Sanctuary City Contracting Ordinance" or "SCCO"). Contractor understands and agrees that the City may choose with whom it will maintain business relations and may refrain from contracting with any person or entity that provides Data Broker or Extreme Vetting services to the U.S. Immigration and Customs Enforcement Division of the United States Department of Homeland Security ("ICE"). Contractor understands the meaning of the following terms used in the SCCO:

- a. "Data Broker" means either of the following:
 - i. The collection of information, including personal information about consumers, from a wide variety of sources for the purposes of reselling such information to their customers, which include both private-sector business and government agencies;
 - ii. The aggregation of data that was collected for another purpose from that for which it is ultimately used.
- b. "Extreme Vetting" means data mining, threat modeling, predictive risk analysis, or other similar services."

Contractor understands that it is not eligible to receive or retain a City contract if at the time the Contract is executed, or at any time during the term of the Contract, it provides Data Broker or Extreme Vetting services to ICE.

Contractor further understands and agrees that Contractor 's failure to comply with the SCCO shall constitute a material default of the Contract and the City Manager may terminate the Contract and bar Contractor from bidding on future contracts with the City for five (5) years from the effective date of the contract termination.

By executing this Statement, Contractor certifies that it complies with the requirements of the SCCO and that if at any time during the term of the Contract it ceases to comply, Contractor will promptly notify the City Manager in writing. Any person or entity who knowingly or willingly supplies false information in violation of the SCCO shall be guilty of a misdemeanor and subject to a \$1,000 fine.

Based on the foregoing, the undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this _____ day of _____, 20__, at _____, California.

Printed Name: _____ **Title:** _____

Signed: _____ **Date:** _____

Business Entity: _____

**CITY OF RICHMOND RENT BOARD
STANDARD CONTRACT**

Rent Program Agency	Project Manager: Paige Roosa
Project Manager E-mail: paige_roosa@ci.richmond.ca.us	Project Manager Phone No: (510) 620-6537
Vendor No: PR No:	P.O./Contract No:
Description of Services: Provide interpretation services to the Rent Program.	

The parties to this STANDARD CONTRACT do mutually agree and promise as follows:

1. Parties. The parties to this Contract are the City of Richmond Rent Board (herein referred to as "Rent Board") and the following named Contractor:

Company Name: **Interpreters Unlimited**

Street Address: **10650 Treena Street, Suite 308**

City, State, Zip Code: **San Diego, CA 92131**

Contact Person: **Shamus Sayed**

Telephone: **(858) 866-1130** Email: shamus.sayed@iugroup.com

Business License No:

Expiration Date:

A California corporation, [] limited liability corporation [] general partnership, [] limited partnership, [] individual, [] non-profit corporation, [] individual dba as [specify:] _____, [] other [specify:] _____

2. Term. The effective date of this Contract is **March 1, 2021** and it terminates **June 30, 2021**, unless terminated as provided herein.
3. Payment Limit. Rent Board's total payments to Contractor under this Contract shall not exceed **\$3,000**. Rent Board shall not pay for services that exceed the Contract Payment Limit unless a contract amendment has been approved by the Rent Board or Executive Director.
4. Contractor's Obligations. Contractor shall provide those services and carry out that work described in the Service Plan (Exhibit A) which is attached hereto and is incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.
5. Rent Board Obligations. Rent Board shall make to the Contractor those payments described in the Payment Provisions (Exhibit B) which are attached hereto and are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.

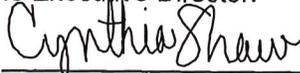
- 6. Authorized Representatives and Notices. This Contract is subject to the Authorized Representatives and Notices Provisions (Exhibit C) which are attached hereto and are incorporated herein by reference.
- 7. General Conditions. This Contract is subject to the General Conditions (Exhibit D) which are attached hereto and are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.
- 8. Special Conditions. This Contract is subject to the Special Conditions (Exhibit E) (if any) which are attached hereto and are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.
- 9. Insurance Provisions. This Contract is subject to the Insurance Provisions (Exhibit F) which are attached hereto and are incorporated herein by reference.
- 10. Signatures. These signatures attest the parties' Contract hereto:

RENT BOARD:

By: 

Executive Director

I hereby certify that this Contract has been approved by the Rent Board or the Executive Director.

By: 

Board Clerk

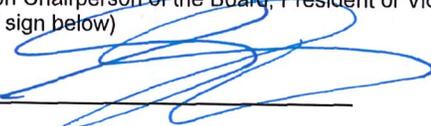
Approved as to form:

By: Digitally signed by Charles Oshinuga
DN: cn=Charles Oshinuga, o, ou, email=charles_oshinuga@cl.richmond.ca.us, c=US
Date: 2021.03.02 16:37:25 -08'00'

Board Legal Counsel

CONTRACTOR:

(* The Corporation Chairperson of the Board, President or Vice President should sign below)

By: 

Title: Vice President

Date Signed: 02/26/2021

(* The Corporation Chief Financial Officer, Secretary or Assistant Secretary should sign below)

By: 

Title: Secretary

Date Signed: 02/26/2021

(NOTE: Pursuant to California Corporations Code Section 313, if Contractor is a corporation or nonprofit organization, this Contract (1) must be signed by (a) the Chairperson of the Board, President or Vice-President and (b) the Secretary any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer.

LIST OF ATTACHMENTS:

- Service Plan Exhibit A
- Payment Provisions Exhibit B
- Authorized Representatives and Notices Exhibit C
- General Conditions Exhibit D
- Special Conditions Exhibit E
- Insurance Provisions Exhibit F

For the Contract between the City of
Richmond Rent Board and

INTERPRETERS UNLIMITED

**EXHIBIT A
SERVICE PLAN**

1. **Scope of Services:** Contractor shall provide and perform the services set forth below in a satisfactory and proper manner as determined by either the Rent Board or Executive Director of the Richmond Rent Program, and in accordance with the terms and conditions of this Contract, as described below.

Activity No. 1: **Maintenance and Evaluation of Interpreters and Glossary of Terms**

Contractor shall provide interpreters who have passed a nationally-accredited 40+ hour training course, and require that interpreters obtain (6) continuing education credits per year. Contractor shall train interpreters by having them study glossaries of relevant terminology in the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, corresponding Rent Board Regulations, and Hearings Script (which shall be provided to the Contractor) in the requested languages and brief new interpreters on the interpreting process and professional conduct when working with the Rent Board, Rent Board staff, and members of the public.

Contractor shall maintain a list of Rent Board-approved, U.S.-based, certified, accredited interpreters. If Rent Board staff file a grievance form about a specific interpreter, Contractor shall remove the interpreter from the list of Rent Board-approved interpreters, and work with staff to identify a qualified alternate interpreter to complete either the current project, if unfinished, or future projects.

Contractor will monitor its interpreters with regular project reviews to track their progress and document anything noteworthy, from praise to issues raised by Rent Board staff. If Rent Board staff provide any negative feedback about an interpreter, the interpreter will be removed from the list of Rent Board-approved interpreters and an alternative interpreter will be provided when that language is next requested by Rent Board staff.

Contractor understands the importance of reliable connections during interpreting sessions, whether by phone or video conference and shall therefore provide U.S.-based remote interpreters who are required to use direct, high-speed internet connections, land lines and home offices that are free of background noise and distractions. If a call is dropped or there is a video conference "hiccup," the interpreter shall be required to immediately call back into the line as soon as possible. Rent Board staff shall be able to contact the Contractor by telephone for immediate assistance.

Activity No. 2: **Scheduling of Interpretation**

To request in-person, telephone, or video conference interpretation, Rent Board staff will contact the Contractor's designated staff member via email or by phone with the date and time an interpreter is needed, the location of the interpreting session or their preferred telephonic or video remote application, the required language, and any other specifics related to the job. All communications will be performed electronically or by phone.

For the Contract between the City of
Richmond Rent Board and

INTERPRETERS UNLIMITED

At least 24 hours before the interpreting session, Contractor shall send an Acknowledgement of Scheduling email to Rent Board staff with all the interpreting session details, including connection information for telephonic or video remote interpreting sessions, and await confirmation from Rent Board staff. Contractor will be available for weekend and evening activities as needed.

Each onsite interpreter will arrive 15 minutes prior to the scheduled interpreting session. They will have performed a temperature check prior to arrival, be dressed professionally, wear a mask as a COVID-19 precautionary measure, and follow any specifications provided by Rent Board staff. Telephonic and video remote interpreters will login at least 5 minutes prior to the call or video conference start time. Whether onsite, by phone or by video conference, the interpreter will perform simultaneous or continuous interpretation, as requested by Rent Board staff, and will remain objective and neutral throughout the meeting.

Contractor will record the actual interpreting session end time reported by Rent Board staff or the interpreter for billing purposes.

After the interpreting session, Contractor will note any positive or negative feedback provided by Rent Board staff, such as whether to give preference to a specific interpreter in the future.

Activity No. 3: **Interpretation for Petition Hearings**

Contractor shall provide U.S.-based, certified, accredited interpreters, accessible onsite or by phone or videoconference, as requested by Rent Board staff to participate in Rent Board Petition Hearings. Rent Board Hearings typically (but not always) commence on Tuesdays and Thursdays at 10:00 a.m. PDT. When requested to participate by teleconference, Contractor shall call into a telephone conference line provided by Rent Board staff, five minutes prior to the scheduled start of the Hearing, or closely thereafter, by entering an access code provided by Rent Board staff. Breaks during the Hearing often involve disconnection and then timely calling back into the same telephone conference line and using the same access code.

Activity No. 4: **Interpretation for Appeal Hearings**

Contractor shall provide U.S.-based, certified, accredited interpreters, accessible onsite or by phone or videoconference, as requested by Rent Board staff to participate in Rent Board Appeal Hearings. Rent Board Appeal Hearings typically (but not always) commence at 5:00 P.M. PDT or shortly thereafter on the third Wednesday of the month. Contractor shall not bill at a higher rate for interpretation outside of normal business hours (9:00 A.M. PDT – 5:00 P.M. PDT).

Activity No. 5: **Interpretation for Counseling Sessions**

Contractor shall provide U.S.-based, certified, accredited interpreters, accessible onsite or by phone or videoconference, as requested by Rent Board staff to participate in Rent Board Counseling Sessions. Rent Board Counseling Sessions occur Monday – Friday during normal business hours (9:00 A.M. PDT – 5:00 P.M. PDT).

ITEM F-3
ATTACHMENT 3

For the Contract between the City of
Richmond Rent Board and

INTERPRETERS UNLIMITED

Activity No. 6: Interpretation for Community Workshops

Contractor shall provide U.S.-based, certified, accredited interpreters, accessible onsite or by phone or videoconference, as requested by Rent Board staff, to provide simultaneous translation for Rent Program Community Workshops or similar events.

For the Contract between the City of
Richmond Rent Board and

INTERPRETERS UNLIMITED

**EXHIBIT B
PAYMENT PROVISIONS**

{PLEASE NOTE THAT THE RENT PROGRAM SHALL NOT PAY FOR SERVICES THAT EXCEED THE CONTRACT PAYMENT LIMIT UNLESS A CONTRACT AMENDMENT HAS BEEN APPROVED BY THE RENT BOARD OR EXECUTIVE DIRECTOR}

1. Provided Contractor is not in default under this Contract, Contractor shall be compensated as provided below:

ON-SITE INTERPRETATION

Language	Price per Hour (Weekdays 8am-5pm)	Price per Hour (After-hours, weekends, holidays)	Minimum	Time Frame	Availability
Spanish	\$60.00	\$60.00	2 hour minimum	Same price for both regular and emergency appointments	24/7/365
All Other Languages	\$80.00	\$80.00	2 hour minimum	Same price for both regular and emergency appointments	24/7/365

Terms:

- Time booked, time billed
- Cancellations made within 24 business hours of the appointment will be subject to a charge in the amount of the two (2) hour minimum or time booked, whichever greater
- Travel over 50 miles roundtrip will be charged in accordance with current IRS rates of \$0.575/mile

SCHEDULED VIDEO OR TELECONFERENCE

Language	Price per Minute	Minimum	Time Frame	Availability
Spanish	\$60.00	1 hour minimum	Same price for both regular and emergency appointments	24/7/365
All Other Languages	\$80.00	1 hour minimum	Same price for both regular and emergency appointments	24/7/365

For the Contract between the City of
Richmond Rent Board and

INTERPRETERS UNLIMITED

2. Any and all payments made pursuant to this Contract shall be subject to the Contract Payment Limit. Invoices shall be adequately detailed, based on accurate records, and be in a form reasonably satisfactory to the Rent Board. Contractor may be required to provide back-up material upon request. Contractor shall not bill Rent Board for travel time, unless extenuating circumstances arrive and such arrangement is approved in advance by the Executive Director.
3. Contractor shall submit timely invoices to the following address:

Attention: City of Richmond Finance Department - Accounts Payable
Project Manager: Paige Roosa
P.O. Box 4046
Richmond, CA 94804
4. All invoices that are submitted by Contractor shall be subject to the approval of the Rent Board Project Manager, Paige Roosa, or their designee, before payments shall be authorized. Questions concerning an invoice may be directed to Contractor by email or telephone for a prompt response.
5. The Rent Board will pay invoice(s) within 45 days after completion of services to the Rent Board's satisfaction. The Rent Board shall not pay late fees or interest.
6. A Richmond business license shall be obtained before any payment under this Contract shall be authorized and the business license must be kept current during the term of this Contract for payments to continue to be authorized.
7. All insurance coverage required by this Contract shall be provided by the Contractor before this Contract shall be executed by the Rent Board. The insurance coverage must be kept current during the term of this Contract for payments to continue to be authorized.

For the Contract between the City of
Richmond Rent Board and

INTERPRETERS UNLIMITED

**EXHIBIT C
AUTHORIZED REPRESENTATIVES AND NOTICES**

1. Notices. All notices, demands, statements, or communications provided for by this Contract shall be in writing and may be delivered by deposit in the United States mail, postage prepaid. Notices to the Rent Board shall be addressed to the Executive Director and (as delineated below in section 1.1) to the project manager responsible for the administration of or the supervision of the scope of work under this Contract. Notices to the Contractor shall be addressed to the party designated by Contractor (as delineated below in section 1.2). Notice shall be deemed delivered (a) upon personal delivery; (b) as of the fifth business day after mailing by United States certified mail, postage prepaid, addressed to the proper party; or (c) as of 12:00 p.m. on the second business day immediately after the day it is deposited with and accepted by Federal Express, or a similar overnight courier service, addressed to the proper party and marked for next business day morning delivery. For the purposes of this Contract, a "business day" means any day Monday through Friday that is not a holiday recognized by the federal government or the State of California.

1. 1 Rent Board hereby designates as its Authorized Representative the Project Manager whose name and address are as follows:

Paige Roosa

City of Richmond Rent Program

440 Civic Center Plaza, Suite 200

Richmond, CA 94804

1. 2 CONTRACTOR hereby designates as its Authorized Representative the Project Manager whose name and address are as follows:

Shamus Sayed

Interpreters Unlimited

10650 Treena Street, Suite 308

San Diego, CA 92131

**ITEM F-3
ATTACHMENT 3**

For the Contract between the City of
Richmond Rent Board and

INTERPRETERS UNLIMITED

**EXHIBIT E
SPECIAL CONDITIONS**

The General Conditions are hereby amended to include the following modifications
and/or provisions (if applicable):

THIS SECTION NOT APPLICABLE

**ITEM F-3
ATTACHMENT 3**

For the Contract between the City of
Richmond Rent Board and

INTERPRETERS UNLIMITED

**EXHIBIT F
INSURANCE PROVISIONS**

During the entire term of this Contract and any extension or modification thereof, the CONTRACTOR shall keep in effect insurance policies meeting the insurance requirements specified in the insurance provisions which are attached hereto and incorporated herein by this reference.

EXHIBIT D
GENERAL CONDITIONS

1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, joint venturer or partner of the RENT BOARD, but rather an independent Contractor. This Contract shall not be construed to create an agency, servant, employee, partnership, or joint venture relationship. As an independent Contractor, Contractor shall have no authority to bind RENT BOARD to any obligation or to act as RENT BOARD'S agent except as expressly provided herein. Due to the independent Contractor relationship created by this Contract, RENT BOARD shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.
3. City Property. The rights to applicable plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Contract, which, upon request, are to be delivered to RENT BOARD within a reasonable time, shall be deemed assigned to RENT BOARD. If applicable, Contractor shall prepare check prints upon request. Notwithstanding the foregoing, Contractor shall not be obligated to provide to RENT BOARD proprietary software or data which Contractor has developed or had developed for Contractor's own use; provided, however, that Contractor shall, pursuant to Section 15 below, indemnify, defend and hold harmless RENT BOARD from and against any discovery or Public Records Act request seeking the disclosure of such proprietary software or data.
4. Patents, Trademarks, Copyrights and Rights in Data. Contractor shall not publish or transfer any materials, discoveries, developments, concepts, designs, ideas, know how, improvements, inventions and/or original works of authorship resulting from activities supported by this Contract without the express prior written consent of the Executive Director of the Richmond Rent Program. If anything resulting from activities supported by this Contract is patentable, trademarkable, copyrightable or otherwise legally protectable, RENT BOARD reserves the exclusive right to seek such intellectual property rights. Notwithstanding the foregoing, Contractor may, after receiving RENT BOARD'S prior written consent, seek patent, trademark, copyright or other intellectual property rights on anything resulting from activities supported by this Contract. However, RENT BOARD reserves, and Contractor irrevocably grants, a nonexclusive, fully paid-up, royalty-free, assumable, perpetual, worldwide license, with the right to transfer, sublicense, practice and exploit said license and the right to make, have made, copy, modify, make derivative works of, use, sell, import, and otherwise distribute under all applicable intellectual properties without restriction of any kind said license. Contractor further agrees to assist RENT BOARD, not at RENT BOARD'S expense, in every proper way to secure the RENT BOARD'S in any patents, trademarks, copyrights or other intellectual property rights relating thereto, including the disclosure to RENT BOARD of all pertinent information and data with respect thereto. Contractor shall also assist RENT BOARD in the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments which RENT BOARD shall deem necessary in order to apply for, obtain, maintain and transfer such rights, or if not

transferable, to waive such rights. Contractor shall further assist RENT BOARD in the execution of all applications, specifications, oaths, assignments, recordations and all other instruments which RENT BOARD shall deem necessary in order to assign and convey to RENT BOARD, and any assigns and nominees the sole and exclusive right, title and interest in and to any patents, trademarks, copyrights or other intellectual property rights relating thereto. Contractor further agrees that its obligation to execute or cause to be executed, when it is in Contractor's power to do so, any such instruments or papers shall continue during and at all times after the end of Contractor's services and until the expiration of the last such intellectual property right. Contractor hereby irrevocably designates and appoints RENT BOARD, and its duly authorized officers, agents and servants, as its agent and attorney-in-fact, to act for and in its behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance or transfer of letters of patents, copyright and other registrations. This power of attorney is coupled with an interest and shall not be affected by Contractor's subsequent incapacity.

5. Inspection. Contractor's performance, place of business and records pertaining to this Contract are subject to monitoring, inspection, review and audit by authorized representatives of the RENT BOARD, the State of California, and the United States Government. If the project or services set forth in Exhibit A shall be performed on RENT BOARD or other public property, RENT BOARD shall have the right to inspect such work without notice. If such project or services shall not be performed on RENT BOARD or other public property, RENT BOARD shall have the right to inspect such work upon reasonable notice.
6. Services. The project or services set forth in Exhibit A shall be performed to the full satisfaction and approval of RENT BOARD. In the event that the project or services set forth in Exhibit A are also itemized by price, RENT BOARD, in its sole discretion, may, upon notice to Contractor, delete certain items or services set forth in Exhibit A, in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. Contractor shall, at its own cost and expense, furnish all facilities and equipment necessary for Contractor to complete the project or perform the services required herein, unless otherwise provided in Exhibit A.
7. Records. Contractor shall keep and make available for inspection and copying by authorized representatives of the RENT BOARD, the State of California, and the United States Government, the Contractor's regular business records and such additional records pertaining to this Contract as may be required by the RENT BOARD, subject to Contractor's duty to maintain attorney/client privilege and client confidentiality.

Contractor shall retain all documents pertaining to this Contract for a period of five (5) years after this Contract's termination (or for any further period that is required by law) and until all Federal or State audits are complete and exceptions resolved for this contract's funding period. Upon request, Contractor shall make these records available to authorized representatives of the RENT BOARD, the State of California, and the United States Government, subject to Contractor's duty to maintain attorney/client privilege and client confidentiality.

Contractor shall keep full and detailed accounts, maintain records, and exercise such controls as may be necessary for proper financial management under this Contract. The

Contractor's accounting and control systems shall be satisfactory to RENT BOARD. Contractor's accounting systems shall conform to generally accepted accounting principles and all records shall provide a breakdown of total costs charged under this Contract, including properly executed payrolls, time records, utility bills, invoices and vouchers. The RENT BOARD shall be afforded prompt access to Contractor's records, books, and Contractor shall preserve such project records for a period of at least five (5) years after the termination of this Contract, or for such longer period as may be required by law.

Contractor shall permit RENT BOARD and its authorized representatives and accountants to inspect, examine and copy Contractor's books, records, accounts, correspondence, instructions, drawings, receipts, subcontracts, purchase orders, vouchers, memoranda and other data relating to the project or services set forth in Exhibit A, and any and all data relevant to this Contract at any reasonable time for the purpose of auditing and verifying statements, invoices, or bills submitted by Contractor pursuant to this Contract and shall provide such assistance as may be reasonably required in the course of such inspection. Contractor shall also allow RENT BOARD access to the record keeping and accounting personnel of Contractor.

RENT BOARD further reserves the right to examine and re-examine said books, records, accounts, and data during the five (5) year period following the termination of this Contract; and Contractor shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatever for five (5) years after the termination of this Contract. Pursuant to California Government Code § 10527, the parties to this Contract shall be subject to the examination and audit of representatives of the Auditor General of the State of California for a period of three (3) years after final payment under this Contract. The examination and audit shall be confined to those matters connected with the performance of this Contract including, but not limited to, the cost of administering this Contract.

8. Changes and Extra Work. All changes and/or extra work under this Contract shall be performed and paid for in accordance with the following:

Only the RENT BOARD or Executive Director of the Richmond Rent Program, may authorize extra and/or changed work. Contractor expressly recognizes that other City of Richmond personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Contractor to secure the authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Contractor thereafter shall be entitled to no compensation whatsoever for performance of such extra and/or changed work.

If Contractor is of the opinion that any work which Contractor has been directed to perform is beyond the scope of this Contract and constitutes extra work, Contractor shall promptly notify RENT BOARD or the Executive Director of the Richmond Rent Program of the fact. The RENT BOARD or the Executive Director of the Richmond Rent Program shall make a determination as to whether or not such work is, in fact, beyond the scope of this Contract and constitutes extra work. In the event that RENT BOARD or the Executive Director of the Richmond Rent Program determines that such work does constitute extra work, RENT BOARD shall provide extra compensation to Contractor on a fair and equitable basis. A change order or Contract Amendment providing for such compensation for extra work shall be negotiated between RENT BOARD and Contractor and executed by Contractor and the

Executive Director of the Richmond Rent Program.

In the event RENT BOARD or the Executive Director of the Richmond Rent Program determines that such work does not constitute extra work, Contractor shall not be paid extra compensation above that provided herein and if such determination is made by the Executive Director of the Richmond Rent Program staff, said determination may be appealed to the RENT BOARD; provided, however, a written appeal must be submitted to the Executive Director of the Richmond Rent Program within five (5) days after the determination is sent to Contractor. Said written appeal shall include a description of each and every ground upon which Contractor challenges the staff's determination.

9. Additional Assistance. If this Contract requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that RENT BOARD's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of Section 8 of these General Conditions.
10. Professional Ability. Contractor acknowledges, represents and warrants that Contractor and its employees are skilled and able to competently provide the services hereunder, and possess all professional licenses, certifications, and approvals necessary to engage in their occupations. RENT BOARD has relied upon the professional ability and training of Contractor as a material inducement to enter into this Contract. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession. In the event that RENT BOARD, in its sole discretion, desires the removal of any person employed or retained by Contractor to perform services hereunder, such person shall be removed immediately upon receiving notice from RENT BOARD.
11. Business License. Contractor shall obtain a Richmond Business License before performing any services required under this Contract. The failure to so obtain such license shall be a material breach of this Contract and grounds for immediate termination by RENT BOARD; provided, however, that RENT BOARD may waive the business license requirement in writing under unusual or extraordinary circumstances without necessitating any modification of this Contract to reflect such waiver.
12. Termination Without Default. Notwithstanding any provision herein to the contrary, RENT BOARD and or Executive Director of the Richmond Rent Program may, in its sole and absolute discretion and without cause, terminate this Contract at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. Contractor may terminate this Contract at any time in its sole and absolute discretion and without cause upon 30 days' written notice to RENT BOARD. In the event of termination by either party, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; (2) necessary materials or services of others ordered by Contractor for this Contract, prior to receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by RENT BOARD in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the RENT BOARD's last payment

shall be transferred and assigned to RENT BOARD. Additionally, in the event of such termination, the RENT BOARD may proceed with the work in any reasonable manner it chooses.

13. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Contract, RENT BOARD or Executive Director of the Richmond Rent Program may immediately terminate this Contract by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided in Section 12 of these General Conditions; provided, however, there shall be deducted from such amount the amount of damage, including attorney's fees, expert witness fees and costs, if any, sustained by RENT BOARD by virtue of Contractor's breach of this Contract. Additionally, in the event of such termination, the RENT BOARD may proceed with the work in any reasonable manner it chooses.

14. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Contract. Contractor further acknowledges, represents and warrants that no RENT BOARD official or employee has any economic interest, as defined in Title 2, California Code of Regulations §§ 18703.1 through 18703.5, with Contractor that would invalidate this Contract. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Contract, all consideration received under this Contract shall be forfeited and returned to RENT BOARD forthwith. This provision shall survive the termination of this Contract for one (1) year.

15. Indemnification. (a) If this Contract is a contract for design professional services subject to California Civil Code Section 2782.8(a) and Contractor is a design professional, as defined in California Civil Code Section 2782.8(b)(2), Contractor shall hold harmless, defend and indemnify the RENT BOARD, its officers, agents, employees, and volunteers from and against any and all claims, damages, losses, and expenses including attorneys' fees arising out of, or pertaining to, or relating to the negligence, recklessness, or willful misconduct of the Contractor, except where caused by the active negligence, sole negligence, or willful misconduct of the RENT BOARD. To the fullest extent permitted by law, Contractor shall immediately defend and indemnify the RENT BOARD and its officers, agents, employees, and volunteers from and against any and all liabilities, regardless of nature or type, that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Contractor, or its employees, agents, or subcontractors. Liabilities subject to the duties to defend and indemnify include, without limitation, any and all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. Contractor's obligation to indemnify applies unless it is finally adjudicated that the liability was caused by the sole active negligence or sole willful misconduct of an indemnified party.

(b) If this Contract is not a contract for design professional services subject to California Civil Code Section 2782.8(a) or Contractor is not a design professional as defined in California Civil Code Section 2782.8(b)(2), Contractor shall indemnify, defend, and hold harmless the RENT BOARD, its officers, agents, employees and volunteers from any and all claims, suits, or actions of every name, kind and description, brought forth on account of injuries to or death of any person or damage to property arising from or connected with the willful misconduct,

negligent acts, errors or omissions, ultra-hazardous activities, activities giving rise to strict liability, or defects in design by Contractor or any person directly or indirectly employed by, or acting as, the agent for Contractor in the performance of this Contract, including the concurrent or successive passive negligence of the RENT BOARD, its officers, agents, employees or volunteers.

(c) It is understood that the duty of Contractor to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Contractor shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the RENT BOARD, the RENT BOARD and its officers, agents, employees, and volunteers, immediately upon tender to Contractor of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. An allegation or determination that persons other than Contractor are responsible for the claim does not relieve Contractor from its separate and distinct obligation to defend under this Section 15. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes an obligation to provide independent counsel if Contractor asserts that liability is caused in whole, or in part, by the negligence or willful misconduct of an indemnified party.

(d) The review, acceptance or approval of the Contractor's work or work product by any indemnified party shall not affect, relieve or reduce the Contractor's indemnification or defense obligations. This Section 15 survives completion of the services or the termination of this Contract. The provisions of this Section 15 are not limited by, and do not affect, the provisions of this Contract relating to insurance.

(e) Acceptance of insurance certificates and endorsements required under this Contract does not relieve Contractor from liability under this Section 15. This Section 15 shall apply whether or not such insurance policies are determined to be applicable to any such damages or claims for damages.

16. Safety. Contractor acknowledges that the RENT BOARD is committed to the highest standards of workplace safety. Contractor shall perform all work hereunder in full compliance with applicable local, state and federal safety requirements including but not limited to Occupational Safety and Health Administration requirements, and shall assume sole and complete responsibility for the safety of Contractor's employees and any subcontractor's employees. If a death, serious personal injury or substantial property damage occurs in connection with the performance of this Contract, Contractor shall immediately notify the RENT BOARD by telephone.
17. Insurance. Insurance requirements are set forth in Exhibit F to this Contract. Contractor shall abide by the insurance requirements set forth in said Exhibit F.
18. Non-Liability of Officials and Employees of the Rent Board. No official or employee of the RENT BOARD shall be personally liable for any default or liability under this Contract.
19. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Contract, including without limitation environmental laws, employment discrimination laws and prevailing wage laws. Compliance under this provision includes compliance with all provisions of the Richmond Municipal Code

("Municipal Code"), including Chapters 2.50, 2.52, 2.56, and 2.60, if applicable.

Contractor acknowledges that under § 2.60.070 of the Municipal Code ("Living Wage Ordinance"), Contractor shall promptly provide to RENT BOARD documents and information verifying its compliance with the Living Wage Ordinance. Also as prescribed in § 2.60.070, Contractor shall notify each of its affected employees with regards to the wages that are required to be paid pursuant to the Living Wage Ordinance.

Contractor shall comply with § 2.28.030 of the Municipal Code, obligating every Contractor or subcontractor under a contract or subcontract with the RENT BOARD for public work or for goods or for services to refrain from discriminatory employment or subcontracting practices on the basis of race, color, sex, sexual orientation, religious creed, national origin or ancestry of any employee, any applicant for employment or any potential subcontractor.

Contractor acknowledges that the RENT BOARD's Drug Free Workplace Policy, Violence in the Workplace Policy and the Policy Against Workplace Harassment, are available on the RENT BOARD's website at <http://www.ci.richmond.ca.us/workplacepolicies> . Contractor agrees to abide by the terms and conditions of said policies.

20. Limitations upon Subcontracting and Assignment. This Contract binds the heirs, successors, assigns and representatives of Contractor. The Contractor shall not enter into subcontracts for any work contemplated under this Contract and shall not assign this Contract, nor any portion hereof or monies due or to become due, without the prior written consent of the RENT BOARD or its designee.

Contractor acknowledges that the services which Contractor shall provide under this Contract are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of RENT BOARD, which approval may be withheld in RENT BOARD's sole and absolute discretion. In the event that RENT BOARD, in writing, approves any assignment or subletting of this Contract or the retention of subcontractors by Contractor, Contractor shall provide to RENT BOARD upon request copies of each and every subcontract contract prior to the execution thereof by Contractor and subcontractor. Any assignment by Contractor of any or all of its rights under this Contract without first obtaining RENT BOARD's prior written consent shall be a default under this Contract.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Contractor (if applicable), or of the interest of any general partner or joint venturer or syndicate member if Contractor is a partnership or joint-venture or syndicate, which shall result in a change of control of Contractor, shall be deemed an assignment. For this purpose, control shall mean fifty percent or more of the voting power or twenty-five percent or more of the assets of the corporation, partnership or joint-venture.

21. Integration. This Contract constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Contractor and RENT BOARD may be used to assist in the interpretation of the Exhibits to this Contract.

22. Modifications and Amendments. This Contract may be modified or amended only by a

change order or Contract Amendment executed by both parties and approved as to form by the Executive Director of the Richmond Rent Program or designated Staff Attorney.

23. Conflicting Provisions. In the event of a conflict between these General Conditions and those of any Exhibit or attachment hereto, these General Conditions shall prevail; provided, however, that any Special Conditions as set forth in Exhibit E shall prevail over these General Conditions. In the event of a conflict between the terms and conditions of any two or more Exhibits or attachments hereto, those prepared by RENT BOARD shall prevail over those prepared by the Contractor, and the terms and conditions preferred by the RENT BOARD shall prevail over those preferred by the Contractor.
24. Non-exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and RENT BOARD reserves the right to employ other Contractors in connection with the project.
25. Exhibits. All Exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit A which does not pertain to the project description, proposal, scope of services, or method of compensation (as applicable), or any corresponding responsibilities of RENT BOARD, shall be deemed extraneous to, and not a part of, this Contract.
26. Force Majeure. Neither party hereto shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such an obligation is prevented or delayed by reason of acts of God, strikes, boycotts, lock-outs, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations enacted after the date of this Contract, riots, civil unrest, acts of terrorism, insurrection, war, declaration of a state or national emergency or other reasons of a like nature not within the reasonable control of such party.
27. Time of the Essence. Time is of the essence of this Contract. Contractor and RENT BOARD agree that any time period set forth in Exhibit A represents their best estimates with respect to completion dates and both Contractor and RENT BOARD acknowledge that departures from the schedule may occur. Therefore, both Contractor and RENT BOARD will use reasonable efforts to notify one another of changes to the schedule. Contractor shall not be responsible for performance delays caused by others, or delays beyond Contractor's control, and such delays shall extend the times for performance of Contractor's work.
28. Confidentiality. Contractor agrees to comply with, and to require its employees, agents and partners to comply with, all applicable State or Federal statutes or regulations respecting confidentiality, including but not limited to, the identity of persons served under this Contract, their records, or services provided them, and assures that:

All applications and records concerning any individual made or kept by Contractor or any public officer or agency in connection with the administration of or relating to services provided under this Contract will be confidential, and will not be open to examination for any purposes not directly connected with the administration of such service.

No person will publish or disclose or permit or cause to be published or disclosed, any list of persons receiving services, except as may be required in the administration of such

service.

29. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Contract shall not be considered "third parties."
30. Governing Law. This Contract shall be construed in accordance with the law of the State of California without regard to principles of conflicts of law. This Contract is made in Contra Costa County, California, and any action relating to this Contract shall be instituted and prosecuted in the courts of Contra Costa County, California.
31. Nonrenewal. Contractor understands and agrees that there is no representation, implication, or understanding that the services provided by Contractor under this Contract will be purchased or renewed by the RENT BOARD under a new contract following expiration or termination of this Contract, and waives all rights or claims to notice or hearing respecting any failure by RENT BOARD to continue the purchase of all or any failure to continue purchase of all or any such services from Contractor.
32. Claims. Any claim by Contractor against RENT BOARD hereunder shall be subject to Government Code §§ 800 et seq. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the RENT BOARD shall be waived if not made within six months after accrual of the cause of action.
33. Interpretation. This Contract shall be interpreted as if drafted by both parties.
34. Warranty. In the event that any product shall be provided to the RENT BOARD as part of this Contract, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to RENT BOARD; the product shall be delivered to the RENT BOARD free from any security interest or other lien; the product meets any specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of one hundred and eighty (180) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping.
35. Severability. In the event that any of the provisions or portions or applications thereof of this Contract are held to be unenforceable or invalid by any court of competent jurisdiction, RENT BOARD and Contractor shall negotiate an equitable adjustment in the provisions of the Contract with a view toward effectuating the purpose of this Contract, and the validity and enforceability of the remaining provisions or portions or applications thereof, shall not be affected thereby.
36. Authority. RENT BOARD warrants and represents that the signatory hereto (the Executive Director of the Richmond Rent Board) is duly authorized to enter into and execute this Contract on behalf of RENT BOARD. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Contract on

behalf of Contractor, and shall be personally liable to RENT BOARD if he or she is not duly authorized to enter into and execute this Contract on behalf of Contractor.

37. Waiver. The waiver by RENT BOARD of any breach of any term or provision of this Contract shall not be construed as a waiver of any subsequent breach. Inspections or approvals, or statements by any officer, agent or employee of the RENT BOARD relating to the Contractor's performance, or payments therefore, or any combination of these acts, shall not relieve the Contractor's obligation to fulfill this Contract as prescribed; nor shall the RENT BOARD be thereby stopped from bringing any action for damages or enforcement arising from any failure to comply with any of the terms and conditions of this Contract.
38. Possessory Interest. If this Contract results in the Contractor having possession of, claim to or right to the possession of land or improvements, but does not vest ownership of the land or improvements in the same person, or if this Contract results in the placement of taxable improvements on tax exempt land (Revenue and Taxation Code 107), such interest or improvements may represent a possessory interest subject to property tax, and Contractor may be subject to the payment of property taxes levied on such interest.
39. Performance and Final Acceptance. Contractor represents that it is experienced, qualified, registered, licensed, equipped, organized and financed to perform the services under this Contract. Contractor shall perform the services under this Contract with that degree of skill and judgment normally exercised by professional firms performing services of a similar nature in the State of California, and shall be responsible for the professional quality, technical accuracy and coordination of the services it performs under this Contract. In addition to the other rights and remedies which RENT BOARD may have, Contractor shall, at its own expense, correct any services which fail to meet the above standard.

RENT BOARD shall provide Contractor an opportunity to cure errors and omission which may be disclosed during the review of submittals, with no increase in the authorized Contract Payment Limit. Should Contractor fail to make necessary corrections in a timely manner, such corrections shall be made by the RENT BOARD and the cost thereof shall be charged to Contractor.

If warranted, RENT BOARD shall determine, and Contractor may request such determination, that Contractor has satisfactorily completed performance of this Contract. Upon such determination, RENT BOARD shall issue to Contractor a written Notice of Final Acceptance, after which Contractor shall not incur further costs under this Contract. Contractor shall respond to such Notice of Final Acceptance by executing and submitting to RENT BOARD a Release and Certificate of Final Payment.

40. Survival. The rights and obligations of the parties which by their nature survive termination or completion of the services covered by this Contract shall remain in full force and effect after termination or completion.

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: June 26, 2023

Final Decision Date Deadline: June 26, 2023

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 have prepared a proposed Fiscal Year 2023-24 Budget and Fee Study and provided the Rent Board with a prior 10-year financial projection for its consideration and comment. The purpose of this item is to adopt the proposed Fiscal Year 2023-24 Rent Program Budget and Fee Study prior to the July 1 deadline and to direct staff to recommend to the City Council approval of a two-tiered fee structure for Fiscal Year 2023-24 of \$220 for Fully Covered Rental Units and \$125 for Partially Covered Rental Units.

INDICATE APPROPRIATE BODY

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

ITEM

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

RECOMMENDED ACTION: (1) ADOPT Revised Fiscal Year 2023-24 Rent Program budget; (2) RECEIVE and APPROVE Revised Fiscal Year 2023-24 Rental Housing Fee Study; and (3) DIRECT staff to prepare a resolution, consistent with the Rent Board's approved Rental Housing Fee Study and budget, recommending to the City Council adoption of a two-tier fee structure for Fiscal Year 2023-24 of \$220 for Fully Covered Rental Units and \$125 for Partially Covered Rental Units – Rent Program (Nicolas Traylor/Fred Tran – 620-6564).

AGENDA ITEM NO:

G-1.

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AGENDA REPORT

DATE: June 26, 2023

TO: Chair Cantor and Members of the Rent Board

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

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

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 have prepared a proposed Fiscal Year 2023-24 Budget and Fee Study and provided the Rent Board with a prior 10-year financial projection for its consideration and comment. The purpose of this item is to adopt the proposed Fiscal Year 2023-24 Rent Program Budget and Fee Study prior to the July 1 deadline and to direct staff to recommend to the City Council approval of a two-tiered fee structure for Fiscal Year 2023-24 of \$220 for Fully Covered Rental Units and \$125 for Partially Covered Rental Units.

RECOMMENDED ACTION:

(1) ADOPT Revised Fiscal Year 2023-24 Rent Program budget; (2) RECEIVE and APPROVE Revised Fiscal Year 2023-24 Rental Housing Fee Study; and (3) DIRECT staff to prepare a resolution, consistent with the Rent Board's approved Rental Housing Fee Study and budget, recommending to the City Council adoption of a two-tier fee structure for Fiscal Year 2023-24 of \$220 for Fully Covered Rental Units and \$125 for Partially Covered Rental Units – Rent Program (Nicolas Traylor/Fred Tran – 620-6564).

FISCAL IMPACT:

The proposed budget and Rental Housing Fee study for the 2023-24 Fiscal Year would authorize \$3,004,698 in expenses and \$3,074,698 in revenues. The Rental Housing Fee for the 2023-24 fiscal year is proposed: \$220 for Fully Covered Rental Units and \$125 for Partially Covered Rental Units.

DISCUSSION:

Proposed Fiscal Year 2023-24 Goals

The proposed Fiscal Year 2023-24 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 of the requirements of the Rent Ordinance, Rent Board Regulations, and related State and Federal laws. Work closely with newly hired staff and existing staff to increase understanding of the Rent Ordinance and procedures. Provide mediation training for staff in the process of counseling Landlord and Tenants, who regularly mediate complicated Landlord/Tenant disputes related to rents and evictions.
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 counseling sessions, as well as the filing of rent increase and termination of tenancy notices). Begin implementing a system to better support the Program and allow online enrollment and registration.
3. Enhance legal services for Richmond small property owners and Tenants to address the impact of the COVID-19 Pandemic. Enhance eviction defense services for Richmond Tenants.

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). Restart in-person outreach efforts by tabling at various community events.
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 and Spanish speaking households, small property owners, and problem properties (those with code violations). Expanded outreach efforts also include holding bilingual (English/Spanish) Rent Board meetings and connecting with and educating community stakeholders on the Rent Ordinance and Rent Program services.

ITEM G-1

3. Develop systems to produce Notices of the Maximum Allowable Rent or 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. Build an indicator in the system to notify staff of rent increases beyond MAR.
4. The Rent Program intends to conduct a Tenant survey in fiscal year 2023-24 to receive assessment and feedback from the rental community on the impact of eviction protections and rent stabilization and associated Rent Program services. The contracted amount will be at a nominal fee. Rent Program staff intend to propose a Landlord survey for fiscal year 2024-2025.

PROGRAM SUSTAINABILITY AND COMPLIANCE:

1. Provide the highest level of service to the rental community. To properly administer these services, the Rent Program must continually collect sufficient Residential Rental Housing Fees necessary to support the Program 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. Enhance front desk resources to improve responsiveness and customer service. Conduct collection related outreach to rental property owners not in compliance with the requirement to pay the Residential Rental Housing Fee.
3. Continue to work collaboratively with other City departments to improve rental housing inspection options, rent assistance resources and options, enforcement of the Relocation Ordinance, and the collection of the Residential Rental Housing Fee and 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.

Proposed Fiscal Year 2023-24 Budget Summary

The proposed total expenditures for the 2023-24 fiscal year are presented in the following categories:

ITEM G-1

Category	Proposed FY 2023-24 Budget
Salaries and Wages	\$1,670,462
Fringe Benefits	\$880,050
Professional and Administrative Services	\$427,358
Cost Pool (Admin. Charges, Space at 440 Civic Center Plaza, General Liability)	\$60,248
Other Operating Expenses	\$51,780
Supplemental Liability Insurance Policy (SLIP)	\$9,300
Utilities	\$500
Computer Hardware for Board Members	\$5,000
Carry forward from FY 2022-23 – System	(\$100,000)
TOTAL	\$3,004,698

Proposed Fiscal Year 2023-24 Residential Rental Housing Fee Study

Section 11.100.060(I)(1) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (“Rent Ordinance”) provides all Landlords shall pay a Residential Rental Housing Fee to fund the Rent Program budget. The amount of the Residential Rental Housing Fee is annually established 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. Therefore, a fee study is necessary to ensure that the Residential Rental Housing Fee recommended by the Rent Board and charged to Landlords is commensurate to the level of services provided by the Rent Program.

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 and supplemental liability insurance plan (SLIP);
- 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;
- Costs of education and outreach, including the printing and distribution of print materials and hosting of community workshops and seminars;
- Contracts for legal referrals, translation and other professional services;
- Attendance at conferences and trainings; and,

ITEM G-1

- An operating reserve to fund unanticipated costs and variations in collection of the Residential Rental Housing Fee.

Staff members recommend the Board continue to utilize a tiered-fee approach to the Fiscal Year 2023-24 Rental Housing Fee to ensure the requirements of Section 50076 of the California Government Code are met.

The Fully and Partially Covered Fees decreasing in fiscal year 2023-24 is temporary. The decrease in fees is due to the Cost Pool charges not being budgeted for General Liability, Administrative Charges, and Workers' Compensation Insurance. Cost Pool for the Civic Center rent has been budgeted. Matrix Consulting is still currently conducting a Cost Pool study on the General Liability, Administrative Charges, and Workers' Compensation Insurance allocation methodology and amounts. Once the study is complete and Cost Pool charges are settled, the actual amounts will be included and budgeted in the following fiscal years. The Rent Program is continuing discussions with the City of Richmond on the Cost Pool allocations.

Additionally, the decrease in Revenues and Residential Rental Housing Fees for fiscal year 2023-24 is due to the current reserve balance level approaching twenty-five percent (25%) of the current year budgeted expenditures. The Reserve Policy requires the Board to maintain a minimum total reserve balance equal to eighteen percent (18%) of the Board's current year budgeted expenditures, not to exceed twenty-five percent (25%). If the total reserve balance exceeds twenty-five percent (25%) of the current year annual budget or is anticipated to exceed twenty-five percent (25%) of the following year's annual budget, the Executive Director or their Designee shall prioritize the use of the excess funds in reducing any subsequent Residential Rental Housing Fee proposal.

Table 1 contains the fees corresponding to the proposed Fiscal Year 2023-24 budget.

Table 1. Fiscal Year 2023-24 Proposed Budget and Rental Housing Fees

		Proposed for FY 2023-24	Change from FY 2022-23 (Decrease)
TOTAL EXPENSES:¹		\$3,004,698	(\$57,989) (1.9%)
Fully Covered Units²	7,749	\$220	(\$6) (2.7%)
Partially Covered Units (including subsidized units)³	10,385	\$125	(\$2) (1.6%)
TOTAL REVENUES⁴:		\$3,074,698	(\$31,989) (1.0%)

The table below compares the proposed Fiscal Year 2023-24 Rental Housing Fee to prior year fees.

Table 2. Comparison of Proposed Fiscal Year 2023-24 Rental Housing Fee to Prior Year Fees

Fiscal Year	Fully Covered Rental Units	Partially Covered Rental Units
2017-18	\$145	\$145
2018-19	\$207	\$100 or \$50 (Gov. Subsidized) ⁵
2019-20	\$212	\$112
2020-21	\$219	\$124
2021-22	\$219	\$124
2022-23	\$226	\$127
2023-24 (Proposed)	\$220	\$125

Conclusion and Proposed Actions

¹ Total expenditures do not include a budgeted reserve as in prior years

² Includes suspected Fully Covered rental units

³ Includes suspected Partially Covered rental units

⁴ Fees rounded up to the nearest full dollar

⁵ 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.

ITEM G-1

The proposed 2023-24 Budget and Fee study reflects the short and long-term goals of the Rent Program and will allow the agency to recover costs of all budgeted operations without increasing the Rental Housing Fee. Rent Program Staff request the Rent Board to consider adoption of the Fiscal Year 2023-24 Budget and approval of the Fee Study consistent with Sections 11.100.060(n) and (l) of the Rent Ordinance

DOCUMENTS ATTACHED:

Attachment 1 – Proposed Fiscal Year 2023-24 Budget and Rental Housing Fee Study

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FY 2023-24 BUDGET & RENTAL HOUSING FEE STUDY

CITY OF RICHMOND RENT PROGRAM

PROPOSED JUNE 26, 2023:



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



Board Members
Sara Cantor - Chair
Elaine Dockens
Tomas Espinoza
Karina Guadalupe -
Vice Chair
Jim Hite

ACKNOWLEDGMENTS

Rent Program Department Team

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Executive Director

Charles Oshinuga
General Counsel

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Hearing Examiner

Fred Tran
Deputy Director

Palomar Sanchez
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John Adams
Rent Program Services Analyst II

Special Thanks to the below City staff and departments:

IT Department

Sue Hartman
IT Director

Randall Narron
Senior Programmer

Human Resources Department

Sharrone Taylor
Interim Human Resource Director

Finance Department

Mubeen Qader
Deputy Director

Delmy Cuellar
Finance Director

Vrenesia Ward
Sr. Budget Analyst

TABLE OF CONTENTS

I.	Rent Program Organization and Goals	4
	a. Mission Statement.....	4
	b. Organizational Chart and Labor Summary	4
	c. Progress towards the achievement of Fiscal Year 2022-23 Goals.....	10
	d. Proposed Fiscal Year 2023-24 Goals.....	13
II.	Proposed 2023-24 Budget	15
	a. Budget	15
	b. Line-Item Descriptions.....	16
III.	Expense and Revenue Projections	
	a. Expense and Revenue Summary.....	26
IV.	2023-24 Rental Housing Fee Study	28
	a. Introduction and Background.....	28
	b. Structure of the Rental Housing Fee.....	28
	c. Applicable Unit Counts and Database Development.....	30
	d. Proposed Rental Housing Fees.....	33
	e. Comparison to Previously Adopted Rental Housing Fee and Peer Jurisdictions.....	33
	f. Conclusion and Recommended Actions.....	35
V.	Unit Descriptions	36
VI.	Appendices	38

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 2023-24 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 note is the proposed addition of an Office Assistant to cover front desk duties. The rationale for this proposed change to the organizational chart is described in further detail below. Figure 1 contains the proposed organizational chart for fiscal year 2023-24, and Figures 2 and 3 provide a summary of full-time equivalents (FTEs) since Fiscal Year 2021-22.

Figure 1. FY 2023-24 Proposed Rent Program Organizational Chart

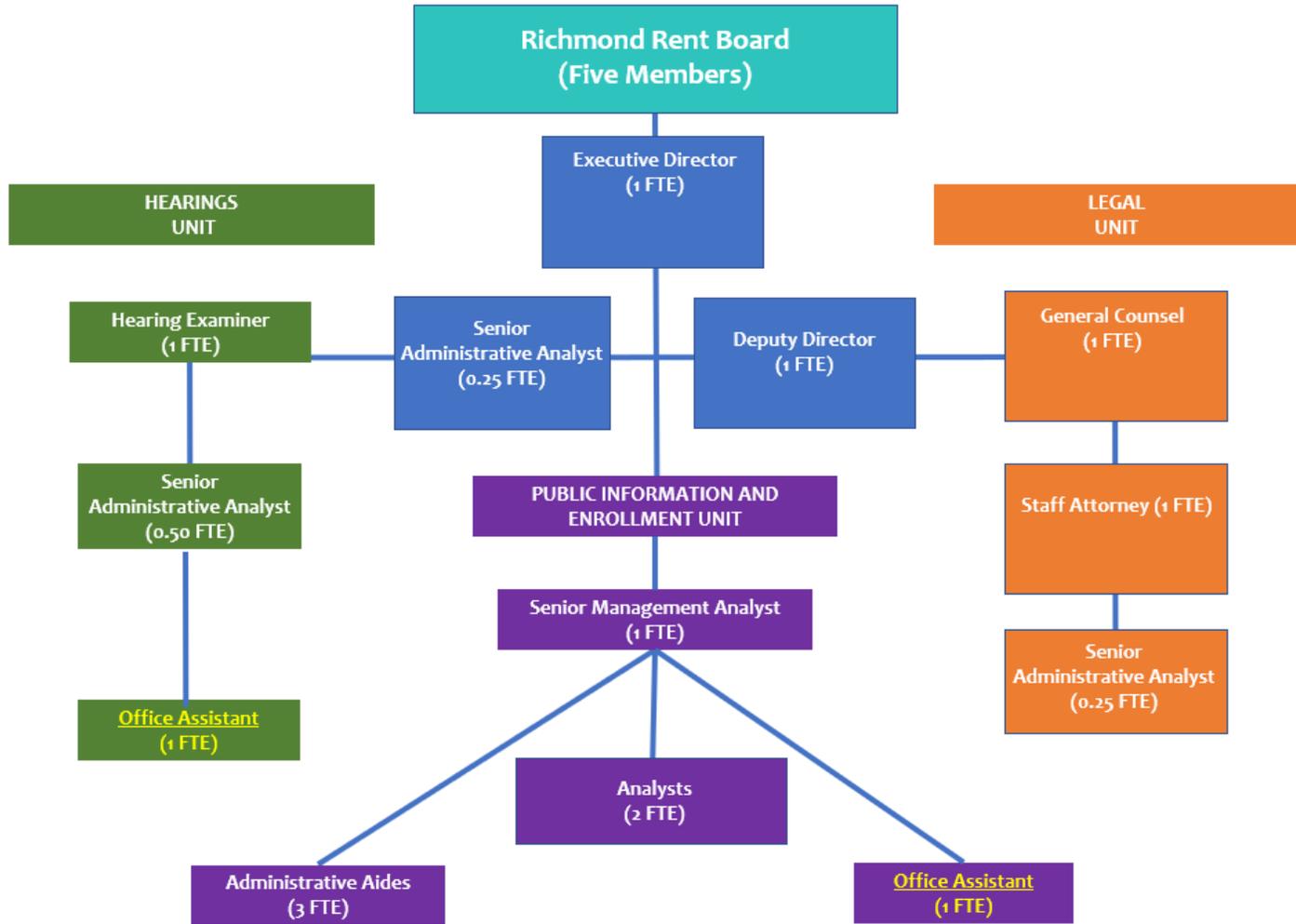


Figure 2. Proposed Fiscal Year 2023-24 Labor Summary

<i>Unit</i>	<i>Authorized Positions 2021/2022</i>	<i>Authorized Positions 2022/2023</i>	<i>Proposed Positions 2023/2024</i>	<i>Amount of Change 22/23 - 23/24</i>
Management	2.25	2.25	2.25	0
Legal	2.25	2.25	2.25	0
Public Information	N/A	N/A	N/A	N/A
Billing & Registration	N/A	N/A	N/A	N/A
Public Information & Enrollment	6.00	6.00	7.00	1.00
Hearings	1.50	1.50	2.50	1.00
TOTAL	12	12	14	2

Figure 3. Proposed Fiscal Year 2023-24 Permanent Staff by Classification

<i>Classification</i>	<i>Authorized Positions 2021/2022</i>	<i>Authorized Positions 2022/2023</i>	<i>Proposed Positions 2023/2024</i>	<i>Amount of Change 22/23 - 23/24</i>
Administrative Aide	3	3	3	0
Assistant Administrative Analyst	1	0	0	0
Office Assistant	0	0	2	2
Deputy Director	1	1	1	0
Executive Director	1	1	1	0
General Counsel	1	1	1	0
Hearing Examiner	1	1	1	0
Rent Program Services Analyst I/II	2	2	2	0
Senior Management Analyst	1	1	1	0
Senior Administrative Analyst	0	1	1	0
Staff Attorney	1	1	1	0
Total	12	12	14	2

Proposed Additions for Two Office Assistants

The proposed Fiscal Year 2023-24 budget includes the addition of two Office Assistants (2 FTEs). This first role will primarily cover the front desk to assist Landlords and Tenants seeking Rent Program services, such as scheduling housing counseling appointments, processing rent increases and termination of tenancy notices, and sending out educational materials to the public, among other duties.

Front desk duties were originally performed by a permanent full-time Administrative Aide who retired in late 2019. During the first years of the Rent Program a full-time front desk staff was necessary to handle the high volume of calls, emails, and office visits from Landlords and Tenants. When the COVID-19 Pandemic began in early 2020, the Rent Program Office pivoted to a hybrid services, with limited in-person access to the office due to the local emergency order. With the Rent Program office less available to the public, the need for a full-time front desk person was superseded by the need to focus on collection of the Rental Housing Fee. Collecting Rent Program fees would become more challenging due to Landlords suffering COVID-19 related financial losses. To address this concern, in 2019, a newly hired Administrative Aide was assigned to focus primarily on compliance and Program sustainability. Part-time Administrative Student Interns were utilized to handle incoming calls, emails, and other front desk related duties. In June of 2021, City of Richmond and Rent Program offices briefly opened to the public before shutting down again due to a surge in COVID-19 cases. During that brief reopening, it became clear that part-time Administrative Student Interns could not adequately cover all front desk duties. Furthermore, since part-time Administrative Student Interns' employment is dependent on attending college classes,

their availability was limited, and turnover was common. This led to the regular and repeated dedication of resources for on-onboarding and training of new Administrative Student Interns.

As of March 28, 2023, the Rent Program has been open to in-person services. A full-time staff is needed again to provide a consistent presence at the front desk and reduce resources spent on hiring and training new staff. Furthermore, with eviction moratoria having lapsed, staff anticipate an increase in office visits by Tenants and Landlords seeking assistance with evictions.

Per the Rent Board direction in May of 2023, additional support is needed for translation and interpretation services to allow for bilingual Board meetings. To support holding bilingual Board meetings requires an additional Office Assistant (1 FTE) to aid with handling the increased workload for the additional Board requirements. The additional Office Assistant duties would include supporting the Board Clerk with taking minutes, managing public comment at Board meetings, preparing 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 the Hearing Coordinator with preparing for Rent Board Hearings, preparing Rent Board Hearing and Appeal Hearing documents, and Hearing recordings for translation.

The proposed addition of two Office Assistants to handle front desk duties and support the Board Clerk will increase the overall number of full-time equivalents (2 FTEs) employed with the agency by two.

Salary Adjustment Per the Negotiated Memorandum of Understanding (MOU) and Class and Compensation Agreement

During late May and June of 2023, the City of Richmond and Union Representatives reach their respective MOU agreements for salary adjustments and classification salary adjustments based on a class and compensation study developed by the Segal consulting firm. As Unionized City employees, Rent Program staff salaries must be adjusted per those agreed upon MOUs:

Bargaining Unit: SEIU Local 1021

At the May 23, 2023, Council Meeting, the City had agreed to adopt a resolution approving the ratified contract amendment between the City and SEIU Local 1021 Full-Time General Employees and Part-Time & Intermittent Bargaining Units, providing for implementation of the Segal Classification and Compensation Study for SEIU Local 1021 Full-Time General Employees Bargaining Unit and a four percent (4%) base wage increase effective July 1, 2023, for both the Full-Time General and the Part-Time & Intermittent Bargaining Unit; and adopt a resolution approving the associated salary schedule for the four percent (4%) base wage increase.

Bargaining Unit: IFPTE Local 21 Mid-Management

Per the June 6, 2023, Council Meeting, the City had agreed to adopt a resolution approving the ratified contract amendment between the IFPTE Local 21 Mid-Management Bargaining Unit, providing for implementation of the Segal Classification and Compensation Study and a

four percent (4%) base wage increase effective July 1, 2023, for IFPTE Local 21 Mid-Management Bargaining Unit; and adopt a resolution approving the associated salary schedule for a four percent (4%) base wage increase.

Bargaining Unit: IFPTE Local 21 Executive Managers

As of June 14, 2023, a Classification and Compensation Study Tentative Agreement had been reached with the City of Richmond with the following terms:

- 2024 COLA increased from 4% to 5%
- 2025 COLA increased from 4% to 5%
- Beginning July 1, 2023, the City will begin making contributions to a deferred compensation account for each Executive in the amount of 2.0% of each employee's semi-monthly base salary to occur each pay period
- Longevity Pay effective first full pay period in July 2023
 - 2% at 5 years of service
 - 4.5% at 10 years of service
 - 9% at 20 years of service
- The Segal salary schedules will be implemented upon the completion of the Classification Specification terms which continue to be negotiated. The City and Bargaining Unit have agreed to meet bi-weekly until this is complete to ensure it will occur as soon as possible. It is currently the City's turn to provide the Union with its response to the latest suggested changes to the initially proposed new specifications. The Bargaining Unit is optimistic that they will reach an agreement in June or July of 2023.

In late May 2023, the Human Resources Department had informed staff that the Payroll Division (Finance Department) was planning to disburse retroactive payments from fiscal year 2021-22 and 2022-23 for salary increases that were not processed in the system. Program staff inquired with the Human Resources Department and the Payroll Division as to which fiscal year the salary increases and retroactive payments would be processed with no date or actual amounts provided. The Rent Program staff estimated budget amounts based on the expected salary increase per each staff's anniversary date and their associated Memorandum of Understanding.

Proposed Increase in Eviction Defense Funding

In 2018 the Rent Board contracted with the Eviction Defense Center (EDC) to provide legal assistance and representation to Richmond Tenants facing evictions.

Since the inception of the contract with the Rent Board in 2018, the EDC has always over performed on providing services to the targeted number of clients each month. The current contract anticipates that the EDC will serve a minimum of 30 clients each month (15 new and 15 continuing), totaling 360 unduplicated clients annually. In the current fiscal year, the EDC has provided legal services to an average of 118 clients every month, and

served 392 unduplicated clients. The EDC is on pace to serve more than three times the number of clients anticipated under the current contract. With the lifting of the eviction moratoria, the number of clients served are anticipated to increase in Fiscal Year 2023-24. Setting aside the anticipated increase in the number of Tenants needing eviction defense, to keep up with the previous and current demands, an increase in funding for the EDC is recommended.

The current contract (\$125,000) funds 85% FTE of an attorney and 25% FTE of a paralegal. Increasing EDC's contract by \$75,000 would cover another 50% FTE for an attorney and allow for an eviction defense attorney from the EDC to work at the Rent Program office instead of Tenants having to travel to the Eviction Defense Center's office in downtown Oakland for in-person services. The additional funding for the EDC will alleviate the current work burden and make it more convenient for Richmond Tenants to receive eviction defense services.

Legal Services for both Small Rental Property Owners and Tenants

Approximately 92% of Richmond rental property owners are small, "mom and pop" Landlords owning fewer than 5 units in Richmond. Historically, Richmond has been one of the few Bay Area Cities where owning a rental property was financially achievable for middle income households. Buying a small rental property helps in creating generational wealth and is part of many middle-income households' retirement nest eggs. Small rental property owners typically receive less rental income and are more likely to face financial strain caused by expensive unexpected repairs, coupled with less secure rental income. As a result, small Landlords are more likely to find themselves struggling to afford legal advice related to lawfully terminate tenancies. Although the Rent Program housing counselors can provide Landlords (and Tenants) with valuable legal information and help understanding the law, they cannot provide legal advice, advocacy, or representation.

Rent Program staff has observed cases where small Landlords attempt to terminate tenancies without proper legal advice, which resulted in engaging in improper eviction tactics. Such tactics can lead to claims of harassment and illegal evictions. In some of these cases not having legal assistance and attempting to "do it on their own" led to costly affirmative lawsuits, threatening the ability to pass on generational wealth. Loss of and lack of generational wealth is a driving force for the continuation of generational poverty and financial instability.

The COVID-19 pandemic has exasperated financial strain for many of Richmond's small Landlords, whose Tenants have struggled to pay rent due to the financial harm caused by the pandemic. This is evidenced by the continued high demand for rent assistance resources and mediations related to the repayment of rental debt. Rent Program staff recommend that the Rent Board budget \$75,000 for legal services for rental property owners (five or less rental units). This service would fund a half-time attorney (20 Hours a week) to provide Landlords owning less than 5 rental units with legal assistance, legal advice, and limited representation. Finally, this service would also be available to Richmond Tenants, who need general legal assistance. Legal assistance would include providing legal advice, writing letters on behalf of Tenants and limited representation.

Progress Towards the Achievement of Fiscal Year 2022-23 Goals

As part of the Fiscal Year 2023-24 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, the COVID-19 pandemic forced a reconsideration of goals and objectives. Rent Program staff returned to work in March 2023 and the office is fully operational to the public. As the local emergency ceased and an increase of potential evictions or rental housing issues rise, additional staff resources are needed to assist with Tenant and Landlord disputes.

Table 1 provides a status update on the goals established for the 2022-23 fiscal year and notes the impacts of the COVID-19 Pandemic on the City of Richmond and the Rent Program.

Table 1. Progress towards achievement of Fiscal Year 2022-23 Goals

Fiscal Year 2022-23 Goal	Progress Towards Achievement
<p>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.</p>	<p>Nearly complete. Rent Program Services Analysts received regular and ongoing support and training from the managing Staff Attorney on the Rent Ordinance and related laws and regulations. Senior staff members provided specific training 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 develop outreach materials to communicate updates to the community. Daily and weekly check-ins are conducted to assure Analysts can ask more situational nuance and situational questions on the Rent Ordinance.</p>
<p>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.</p>	<p>Nearly complete, but significantly impacted by the Covid-19 pandemic, work is ongoing. With mediation guidelines and administrative procedures in place, staff members continue to assess the bandwidth of the Public Information Unit to determine how many mediations may be scheduled per month. The Covid-19 pandemic delayed the process of filling vacancies in the Public Information Unit and eliminated the possibility of in-person mediation. Mediation training has been completed by the Hearing Examiner, Staff Attorney, Senior Management Analyst, and the Rent Program Service Analysts.</p>
<p>Continue to develop an online filing system for the submission of Property Enrollment and Tenancy Registration forms, as well as the filing of rent increase and termination of tenancy notices on the City’s e-TRAKiT website.</p>	<p>Progress is ongoing. Online submission of forms and notices has yet to be fully launched; staff members anticipate systems will continue to be developed in the 2023-24 fiscal year. The upgrade to more a modern system for Rent Programs and City-wide is planned for the fiscal year 2023-24.</p>

**ITEM G-1
ATTACHMENT 1**

<p>Publish and distribute the educational materials, such as the updated Guide to Rent Control and one-page fact sheets on common topics such as Just Cause for Eviction, Owner Move-In evictions, the Ellis Act, the Relocation Ordinance and COVID-19 pandemic related laws</p>	<p>Nearly complete but significantly impacted by the Covid-19 pandemic. The distribution of some educational materials, such as the updated Guide to Rent Control, was significantly delayed by the transition to remote work necessitated by the Covid-19 pandemic. Instead, Rent Program staff have pivoted their attention to developing FAQ's, one-page factsheets and a comprehensive facts sheet and postcards on of pertinent pandemic related laws that have impacted Landlords and Tenants. Additionally, staff have produced significant outreach resources through online educational services, such as webinars, instructional videos and "micro-workshops" designed to educate the public on some of the more commonly asked questions, such as how to file notices of termination of tenancies with the Rent Program. Staff members anticipate completion of the Guide to Rent Control task in the 2023-24 fiscal year as the severity of the pandemic decreases, restrictions lessen, and a new Rent Program database is established to carry out outreach related to tenancy registration.</p>
<p>Fiscal Year 2023-24 Goal</p>	<p>Progress Towards Achievement</p>
<p>Develop and Execute a Comprehensive Outreach Plan that includes, but is not limited to, continuing to bolster our social media presence, producing informational, infographic, and/or testimonial videos to highlight aspects of the Rent Ordinance and services provided by the Rent Program and expanding outreach efforts to local businesses, schools, non-profits, neighborhood Councils, and other community stakeholders.</p>	<p>Progress is ongoing but was significantly impacted by the Covid-19 pandemic. During the 2020-21 fiscal year, the Executive Director, in partnership with Public Information Unit staff members spearheaded an outreach strategy to conduct site visits and make connections with local businesses, churches, and community centers. While the initiative gained momentum in the preceding fiscal year, progress was severely stunted in Fiscal Year 2022-23 due to the Covid-19 Pandemic limiting in-person contact. Instead, outreach was primarily conducted through the agency's social media accounts, comprehensive fact sheets, webinars, instructional videos, and infographic reports regarding the Rent Program and Rent Ordinance. In-person outreach will resume in Fiscal Year 2023-24. Included in the outreach plan for 2023-24 is targeted enrollment and registration outreach to those rental property owners who are not in compliance with the requirement to enroll their properties and pay the Residential Rental Housing Fee.</p>
<p>Launch Tenancy Registration Outreach by beginning to mail out Notices of the Maximum Allowable Rent (MAR) (sent to Landlords and Tenants when Tenancy Registration Forms are submitted) and create a database accessible to the public where community members can research the MAR for a particular Rental Unit.</p>	<p>Progress is ongoing due to the limitations of remote work during the Covid-19 pandemic. Over three-fourths of all rent-controlled tenancies have been registered to date; however, thousands of forms still need to be entered into a database. Originally planned to be completed during the 2020-21 fiscal year, the launching of Tenancy Registration Outreach (generating and mailing notices of the Maximum Allowable Rent) was significantly delayed by the transition to remote work necessitated by the Covid-19 Pandemic and by the process of gaining City approval to establish a new Rent Program database that can perform such tasks. Staff members anticipate initiation of this task during the 2023-24 fiscal year as the severity of the pandemic</p>

**ITEM G-1
ATTACHMENT 1**

	decreases and with the development of the Rent Program's planned database upgrade.
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 must pay Rental Housing Fees receive an invoice and made aware of their financial obligation to the Rent Program.	On Track to Complete and compliance is ongoing. Revenue from fiscal year 2022-23 and previous fiscal years is continuously being collected. The transition to remote work and the financial impacts of the COVID-19 Pandemic have led to delays by some property owners in paying the Rental Housing Fees, lowering the anticipated collection rate to approximately 85%. Rent Program staff anticipate that the development and utilization of a new Rent Program database will increase compliance with enrollment, tenancy registration and payment of the Residential Rental Housing Fee.
Continue to work collaboratively with other City Departments to improve rental housing inspection options, seismic safety policy, enforcement of the Relocation Ordinance, the Richmond Rent Assistance Program, and the collection of other City fees, such as the Business License Tax, Fire Prevention Services Fee, and Rental Inspection Program fee.	Progress is ongoing. Rent Program staff continue to host monthly meetings with the Richmond Fire 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, the Public Information 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 updated their systems to invoice and credit fees for Measure U. Program staff worked collaboratively with Finance staff to assure payments were verified for Landlords that qualified for the credit. After having spread headed the development of Richmond's interim rent assistance program, Public Information staff and Rent Program management have continued to work (meeting bi-weekly) with a coalition of rent assistance agencies and the City of Richmond to provide rent assistance to Richmond Landlords and Tenants.
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.	Ongoing. Rent Program staff provides a monthly variance report to the Rent Board to compare budgeted revenues and expenditures monthly. Rent Program financing is currently in line with the 10-year financial projection. In fiscal year 2022-23, the Rent Board authorized the funding of an upgraded database system customized to the agency's needs. The new solution will offer Customer Relations Management, a Billing/Invoice component, an Interaction Log, Registration of tenancies, tracking of Maximum Allowable Rents, and Rent Adjustment Petition Management. Finally, over the last several fiscal years, the Rent Program has collected adequate Rental Housing Fees to reach the 25% threshold in reserves, which means no budgeting for reserves in fiscal year 2023-24 (0% instead of 18%) to assure reserves do not exceed the 25% limit.

Proposed Fiscal Year 2023-24 Goals

The proposed Fiscal Year 2023-24 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 of the requirements of the Rent Ordinance, Rent Board Regulations, and related State and Federal laws. Work closely with newly hired staff and existing staff to increase understanding of the Rent Ordinance and procedures. Provide mediation training for staff in the process of counseling Landlord and Tenants, who regularly mediate complicated Landlord/Tenant disputes related to rents and evictions.
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 counseling sessions, as well as the filing of rent increase and termination of tenancy notices). Begin implementing a system to better support the Program and allow online enrollment and registration.
3. **Enhance legal services** for Richmond small property owners and Tenants to address the impact of the COVID-19 Pandemic. Enhance eviction defense services for Richmond Tenants.

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). Restart in-person outreach efforts by tabling at various community events.
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 and Spanish speaking households, small property owners, and problem properties (those with code violations). Expanded outreach efforts also include holding bilingual (English/Spanish) Rent Board meetings and connecting with and educating community stakeholders on the Rent Ordinance and Rent Program services.
3. **Develop systems to produce** Notices of the Maximum Allowable Rent or 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. Build an indicator in the system to notify staff of rent increases beyond MAR.

4. **The Rent Program intends to conduct a Tenant survey** in fiscal year 2023-24 to receive assessment and feedback from the rental community on the impact of eviction protections and rent stabilization and associated Rent Program services. The contracted amount will be at a nominal fee. Rent Program staff intend to propose a Landlord survey for fiscal year 2024-2025.

PROGRAM SUSTAINABILITY AND COMPLIANCE:

1. **Provide the highest level of service to the rental community.** To properly administer these services, the Rent Program must continually collect sufficient Residential Rental Housing Fees necessary to support the Program 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. Enhance front desk resources to improve responsiveness and customer service. Conduct collection related outreach to rental property owners not in compliance with the requirement to pay the Residential Rental Housing Fee.
3. **Continue to work collaboratively with other City departments** to improve rental housing inspection options, rent assistance resources and options, enforcement of the Relocation Ordinance, and the collection of the Residential Rental Housing Fee and 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.

II. PROPOSED FY 2023-24 BUDGET

The figure below contains the revised Fiscal Year 2023-24 budget based on feedback provided by the Rent Board at its June 12, 2023, meeting. Detailed descriptions of the components within each line item are contained in the sections that follow.

Object #	City Account Description	FY 18-19 ACTUALS	FY 19-20 ACTUALS	FY 20-21 ACTUALS	FY 21-22 ACTUALS	FY 22-23 ADOPTED	FY 23-24 PROPOSED	Notes
REVENUES								
340445	Fees/Admin Fees	2,189,703	2,681,689	2,764,961	2,332,429	3,062,687	3,004,698	(1)
361701	Int & Invest/Pooled-All Other	367	11,537	6,096	4,619	14,000	20,000	
364867	Revenue from Collections & Other	133	13,042	24,796	19,641	30,000	50,000	
TOTAL REVENUES		2,190,203	2,706,268	2,795,854	2,356,688	3,106,687	3,074,698	
EXPENSES								
400001	Salaries & Wages/Executive	530,092	639,594	649,356	676,463	724,848	846,234	(2)
400002	Salaries & Wages/Mgmts.-Local 21	294,152	263,080	183,838	147,008	324,846	367,225	(2)
400003	Salaries & Wages/Local 1021	128,866	150,317	168,422	152,925	202,332	337,653	(2)
400006	Salaries & Wages/PT-Temp	49,557	45,905	32,244	35,234	35,776	37,565	(2)
400031	Overtime/General	4,778	2,094	1,312	1,793	2,500	2,500	(2)
400048	Other Pay/Bilingual Pay	6,993	9,064	9,719	7,910	11,172	11,470	(2)
400049	Other Pay/Auto Allowance	4,200	4,200	4,200	4,200	4,200	4,200	(2)
400050	Other Pay/Medical-In Lieu of	2,700	1,500	-	-	-	-	
400079	Comp Absences/WC-Prof-Mgt-Tec	1,486	5,328	-	-	-	-	
400058	OTHER PAY/Retro Pay 2022-23 and Prior	-	-	-	34,200	-	63,615	
Subtotal - Salaries & Wages		1,022,823	1,121,084	1,049,091	1,059,732	1,305,674	1,670,462	
400103	P-Roll Ben/Medicare Tax-ER Shor	14,937	16,389	15,313	15,435	18,207	20,774	(3)
400105	P-Roll Ben/Health Insurance Be	146,557	136,575	128,611	168,100	232,291	271,329	(3)
400106	P-Roll Ben/Dental Insurance	16,652	17,021	17,534	13,509	17,520	18,031	(3)
400109	P-Roll Ben/Employee Assistance	430	473	422	244	216	234	(3)
400110	P-Roll Ben/Professional Dev-Mg	3,728	5,200	1,500	250	6,750	7,500	(3)
400111	P-Roll Ben/Vision	2,106	2,095	2,049	1,588	2,052	2,158	(3)
400112	P-Roll Ben/Life Insurance	5,557	4,006	3,433	3,336	4,139	3,931	(3)
400114	P-Roll Ben/Long Term Disability	9,408	10,100	9,259	6,952	12,342	11,996	(3)
400116	P-Roll Ben/Unemployment Ins	1,860	5,100	4,960	4,440	5,472	5,928	(3)
400117	P-Roll Ben/Personal/Prof Dev	750	1,493	1,500	1,140	2,250	2,250	(3)
400118	P-Roll Ben/Worker Comp-Injury Appt	-	-	692	-	-	-	
400121	P-Roll Ben/Worker Comp-Clerical	13,806	12,154	14,541	9,042	24,001	6,923	(3)
400122	P-Roll Ben/Worker Comp-Prof	69,352	60,744	74,891	47,762	-	-	(14)
400127	P-Roll Ben/OPEB	39,338	43,623	42,145	40,276	40,723	32,127	(3)
400130	P-Roll Ben/PARS Benefits	642	434	50	398	-	-	
400149	P-Roll Ben/Misc.	123,021	140,616	139,314	128,986	156,287	186,975	(3)
400151	P-Roll Ben/Misc. (UAL)	162,985	235,683	271,234	252,844	287,268	309,894	(3)
Subtotal Fringe Benefits		611,127	691,706	727,447	694,301	809,518	880,050	
400201	Prof Svcs/Professional Svcs	32,112	38,241	10,957	10,460	143,455	140,900	(4)
400206	Prof Svcs/Legal Serv Cost	137,614	193,742	149,994	183,326	210,000	275,000	(5)
400220	Prof Svcs/Info Tech Services	2,375	-	2,142	2,205	-	2,400	(4)
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	1,437	1,650	1,650	(7)
400263	Dues & Pub/Subscription	1,500	-	-	-	-	-	
400271	Ad & Promo/Advertising & Promo Materials	1,559	2,106	1,702	3,928	800	800	(8)
400272	Ad & Promo/Community Events	1,563	1,722	-	-	-	-	
400280	Adm Exp/Program Supplies	5,292	1,600	3,432	1,126	5,380	5,808	(9)
Subtotal Prof & Admin Services		185,563	239,819	169,680	202,481	362,085	427,358	
400231	Off Exp/Postage & Mailing	10,849	5,905	6,528	14,981	17,300	15,355	(10)
400232	Off Exp/Printing & Binding	12,071	3,295	3,428	735	24,404	15,425	(11)
400233	Off Exp/Copying & Duplicating	46	-	236	-	500	-	
400304	Rental Exp/Equipment Rental	8,721	4,532	2,488	2,554	9,000	9,000	(12)
400321	Misc. Exp/Misc. Contrib	3,000	-	1,500	1,500	2,000	2,000	(13)
400322	Misc. Exp/Misc. Exp	3,061	2,262	-	173	2,000	5,000	
400341	Off Supp/Office Supplies	8,721	6,024	1,891	6,457	5,000	5,000	
400344	Off Supp/Computer Supplies	18	783	-	-	-	-	
Subtotal Other Operating		46,486	22,801	16,072	26,400	60,204	51,780	
400121	Carry forward from FY 2022-23 - System	-	-	-	-	-	(100,000)	(4)
400401	Utilities/Tel & Telegraph	254	414	551	498	500	500	
400538	Contract Svcs/Other Contract Svcs	-	-	103	150	-	-	
400552	Prov Fr Ins Loss/Ins Gen Liab	8,029	8,765	9,047	8,991	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	60,248	(14)
400601	Noncap Asst/Comp Hardware<5K	-	6,526	-	-	-	5,000	(15)
400604	Noncap Asst/Furniture <5K	13,328	-	-	-	-	-	
TOTAL EXPENSES		2,047,186	2,264,738	2,143,246	2,175,258	2,595,497	3,004,698	
NET BUDGET BALANCE		143,017	441,530	652,608	181,431	511,190	70,000	

Budget Notes

- (1) Assumes a Fiscal Year 2023-24 Rental Housing Fee of \$220 for Fully Covered units and \$125 for Partially Covered units.
- (2) See detailed Salary and Wage assumptions.
- (3) The Rent Program received budgeted Fringe Benefits amounts from the City's Finance - Budget Division except for Workers' Compensation is pending review by consultants.
- (4) Includes \$100,000 for cloud-based solution (2022-23 Carry forward), \$4,500 for a property information subscription, \$3,000 for a legal research subscription, \$23,400 for scheduled interpretation, \$9,500 for written translation, and \$500 for on-demand interpretation services = \$140,900 total; Object 400220 - \$2,400 TRAKiT annual IT charge.
- (5) Includes \$2000,000 contract with the Eviction Defense Center to assist Tenants with Unlawful Detainer cases and \$75,000 to contract legal services for small Landlords.
- (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 for 36-month lease.
- (13) Stipends for UC Berkeley Public Service Center interns, ranging from \$1,000 to \$1,500 and \$500 for Tenant survey to be conducted.
- (14) The Rent Program is working with the City to determine the proper methodology of Cost Pool allocation; the methodology and allocation is under review by consultants.
- (15) Budgeted technology for the Rent Board Members - computer or tablet hardware.

SALARIES AND WAGES	
400001 – 400006 Permanent Employees	Proposed Allocation: \$1,588,677

The allocation reflects salary-related costs for all filled positions and includes a Memorandum of Understanding negotiated monthly pay rate increase per each Bargaining Unit for Executive Staff Local 21, Mid-Management Local 21, and SEIU Local 1021. The rate increases took effect on January 1, 2023, at 5% and the City shall increase the monthly pay rate by 4% and 5% effective on January 1, 2024. Retro salary increases are being processed by the Payroll Division, refer to page 7 for details for each Bargaining Unit.

Position	Fiscal Year 2022-23 Salary	Fiscal Year 2023-24 Salary	Notes
Executive Director	\$165,603	\$188,080	Max Range- Wage Schedule
Hearing Examiner	\$149,596	\$173,239	MOU – 5% Increase 1/2024
General Counsel	\$152,649	\$181,901	MOU – 5% Increase 1/2024
Deputy Director	\$140,000	\$163,547	MOU – 5% Increase 1/2024
Staff Attorney	\$117,000	\$139,467	MOU – 5% Increase 1/2024
Subtotal Executive Staff	\$724,848	\$846,234	
Rent Program Services Analyst II	\$83,724	\$88,874	Step 2 and 4% Increase
Senior Administrative Analyst	\$80,982	\$98,339	Reclassified from Assistant Admin. Analyst: Q3-2023 – and 4% Increase
Rent Program Services Analyst I	\$74,244	\$78,763	Step 4 and 4% Increase
Senior Management Analyst	\$85,896	\$101,248	Reclassified from Program Analyst – 4% Increase
Subtotal Local 21 Mid-Management Staff	\$324,846	\$367,225	
Administrative Aide	\$70,476	\$78,494	MOU – 4% Increase 1/2024
Administrative Aide	\$61,380	\$72,603	Step 2 and 4% Increase 1/2024
Administrative Aide	\$70,476	\$77,405	Step increases per MOU and 4% Increase 1/2024
Office Assistant II- 2 Additions	\$0	\$109,150	Budget at Step 2
Subtotal SEIU 1021 Staff	\$202,332	\$337,653	
Administrative Student Intern	\$17,888	\$18,782	
Administrative Student Intern	\$17,888	\$18,783	
Subtotal Part Time/Temp Staff	\$35,776	\$37,565	
TOTAL SALARIES	\$1,287,802	\$1,588,677	

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

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

SALARIES AND WAGES	
400048 Bilingual Pay	Proposed Allocation: \$11,470

The allocation accounts for the two percent (2%) salary premium granted to seven (5) 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 (1 FTE)

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

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

SALARIES AND WAGES	
400058 Other Pay / Retro Pay for 2022-23 and 2021-22, Deferred Compensation	Proposed Allocation: \$63,615

In late May 2023, the Human Resources Department had informed staff that the Payroll Division (Finance Department) was planning to disburse retroactive payments from fiscal year 2021-22 and 2022-23 for salary increases that were not processed in the system. Program staff inquired with the Human Resources Department and the Payroll Division as to which fiscal year would the salary increases, and retroactive payments be processed with no date or actual amounts provided. The Rent Program staff estimated budget amounts based on the expected salary increase per each staff's anniversary date and their associated Memorandum Of Understanding.

Beginning July 1, 2023, the City will begin making contributions to a deferred compensation account for each Executive Staff in the amount of 2.0% of each employee’s semi-monthly base salary to occur each pay period.

BENEFITS	
400103 - 400151 Fringe Benefits	Proposed Allocation: \$880,050

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 expended.

These benefits include:

- Health Benefits
 - Health Insurance (\$271,329)
 - Dental Insurance (\$18,031)
 - Employee Assistance Program (\$234)
 - Vision Insurance (\$2,158)
- Professional Development funds – 13 permanent employees are eligible for reimbursement of up to \$750 for eligible expenses (\$9,750)
- Medicare Taxes (\$20,774)
- Life Insurance (\$3,931)
- Long-Term Disability Insurance (\$11,996)
- Unemployment Insurance (\$5,928)
- Workers’ Comp Insurance¹
 - Clerical staff (\$6,923)
 - Professional staff (\$0)
- Other Post-Employment Benefits (OPEB) (\$32,127)²
- Miscellaneous Benefits (\$496,869)³

¹ The Rent Program received the Fringe Benefits from the Finance Department Budget Analyst based on the projected Total Salaries and Wages. No charge will be included in the budget for Worker’s Compensation for Professional staff due to the methodology being reviewed by Cost Pool consultants.

² According to the California Department of Human Resources, through the collective bargaining process and under the authority of Government Code 22944.5, OPEB (Other Post-Employment Benefits) is the method by which the State of California, as the employer, and its employees jointly prefund health benefits that active employees will receive as state retirees. All employees in positions that are eligible for health benefits, whether currently enrolled, prefund OPEB. The state prefunds a matching contribution.

³ Miscellaneous benefits refer to the employer portion of CalPERS pension costs for miscellaneous (non-sworn) staff. CalPERS costs are remitted in two parts—one being a percentage of payroll each pay period (object code

PROFESSIONAL AND ADMINISTRATIVE SERVICES	
400201 Professional Services	Proposed Allocation: \$140,900

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. Finally, the solution will allow for comprehensive counseling and petition case management. Start-up costs and first year annual subscription (estimate \$100,000). This is a carry forward from Fiscal Year 2022-23. The project was deferred due to the contract being held up with the City of Richmond is currently assessing a City-wide system.

Increase in translation and interpretation services to accommodate additional requirements for Board Meetings.

- Written translation (\$9,500)
- Scheduled verbal interpretation (\$23,400)
- On-demand verbal interpretation (\$500)

- Property Information subscription (\$4,500)
- Legal Information subscription (\$250 per month, for a total of \$3,000)

PROFESSIONAL AND ADMINISTRATIVE SERVICES	
400206 Legal Services	Proposed Allocation: \$275,000

The allocation accounts for legal services provided by contractors for community members. The allocation includes funds for the legal services:

1. Community Services Agency Contracts
 - The Rent Program proposes to contract with the Eviction Defense Center in the amount of \$200,000 to provide legal referrals to individuals who need assistance with responding to Unlawful Detainer (eviction) lawsuits. Beginning this fiscal year, the Eviction Defense Center will offer weekly legal service clinics for both Landlords and Tenants who are Richmond property owners and residents.

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.

- The Rent Program intends to source a contract in the amount of \$75,000 for legal services for Landlords who own five or less rental units. This service will provide Landlords owning less than 5 rental units legal assistance, legal advice, and limited representation. This service will also be available to Tenants that reside in the City of Richmond.

PROFESSIONAL AND ADMINISTRATIVE SERVICES	
4002200 Information Technology Services	Proposed Allocation: \$2,400

The allocation is for annual TRAKiT End User license for Citywide database (\$2,400).

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

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

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

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

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

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

ADMINISTRATIVE EXPENSES	
400280 Program Supplies	Proposed Allocation: \$5,808

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 2 orders, for a total cost of \$100)
- Rent Board food/snacks for Regular and Special Meetings: \$600
- Zoom Accounts

- 10 Standard Accounts (\$1,641)
- 3 Webinar Accounts (\$2,267)

OFFICE EXPENSES	
400231 Postage and Mailing	Proposed Allocation: \$15,355

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 \$0.63 per envelope for all projects, except for the Guide to Rent Control mailing, which assumes a postage rate of \$1.00 per envelope:

- Rental Housing Fee invoices to 6,500 Landlords: \$4,095
- Late Rental Housing Fee invoices to 1,000 Landlords: \$630
- Letter Project to 1,000 Landlords: \$630
- Mailing the Guide to Rent Control to 10,000 Tenants and Landlords: \$10,000

OFFICE EXPENSES	
400232 - 400233 Printing and Binding	Proposed Allocation: \$15,425

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: \$6,500 (includes \$500 in account string 400233)
- Rental Housing Fee invoices to 6,500 Landlords: \$325
- Late Rental Housing Fee invoices to 1,000 Landlords: \$50
- Printing Rent Validation Reports for 1,000 Tenants and Landlords: \$50
- Printing the Guide to Rent Control for 10,000 Tenants and Landlords: \$8,500

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

The allocation provides for funding for the lease of combination printers, scanners, copiers, and fax machines at City Hall. In 2019, the Rent Program, in partnership with the Richmond Promise, Arts and Culture, and Department of Infrastructure, Maintenance, and Operations, entered 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 of the Rent Program is approximately \$666 per month, which includes \$558 for the lease of two machines and approximately \$108 for cost-per-copy charges (\$0.0055 per page for black and white copies; \$0.048 for color.)

MISCELLANEOUS EXPENSES	
400321 - 400322 Miscellaneous Contributions and Expenses	Proposed Allocation: \$7,000

The allocation provides for the Rent Program to continue to partner with the UC Berkeley Public Service Center to retain student interns for the 2023-24 academic year. The estimated cost is approximately \$1,000 to a maximum of \$1,500.

The Rent Program intends to conduct a Tenant survey in fiscal year 2023-24. The contracted amount will be at a nominal fee not to exceed \$500.

The allocation also includes \$2,000 for miscellaneous expenses based on minor unforeseen program needs throughout the year.

The Rent Program will purchase equipment for Rent Board Meetings for sound proofing interpretation services within the facility of the meetings (Council Chambers) - \$3,000.

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

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

UTILITIES	
400401 Telephone	Proposed Allocation: \$500

The allocation covers the cost of the Executive Director’s work mobile 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 and texting.

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

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

COST POOL	
400574 - 400591 General Liability, Admin Charges, Space	Proposed Allocation: \$60,248

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; the Rent Program and City have mutually contracted with a consultant to prepare a separate joint study to be used for cost allocation between the two parties. As of May 2023, the Cost Pool Study is being completed and preliminary amounts will be discussed between the Rent Program and 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.

- **General Liability and Workers' Compensation** (Fringe Benefits) 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 City's most recent Cost Allocation Plan. The City Manager's Office used a version of a CAP as the basis for the original Cost Pool amounts in prior years. The new CAP was conducted by NBS, was designed to determine Cost Pool amounts for the Richmond Housing Authority (for Federal reimbursement purposes) and was deemed by the City Council to not be applicable to the Rent Program. The City's new methodology for determining Cost Pool amounts for the Rent Program must align to Section 50076 of the California Government Code which requires fees charged for any service or regulatory activity to not exceed the reasonable cost of providing the service of the 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 office 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 current fiscal year, and as such, the cost of these charges may increase or decrease depending on their findings. The cost allocated in the budget is \$60,248.

Computer Hardware and Tablets	
400601 Non-Capital Asset/Computer Hardware<5K	Proposed Allocation: \$5,000

The allocation will be to purchase technology for the Rent Board Members, either computers or tablets (hardware).

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 \$125,000 in outstanding fee revenue. This figure is expected to grow as collection efforts continue.

Table 2. Expense and Revenue Summary

FISCAL YEAR	BUDGETED AMOUNT	FUNDS EXPENDED	FEE REVENUE COLLECTED ⁴	COLLECTION RATE
2017-18 ⁵	FY 16-17 (partial): \$1,150,433	\$1,967,834	\$2,753,351 ⁶	78%
	FY 17-18: \$2,425,338			
2018-19	\$2,804,925	\$2,047,186	\$2,190,203	78%
2019-20	\$2,923,584	\$2,264,738	\$2,706,268	93%
2020-21	\$2,896,242	\$2,143,246	\$2,795,854	97%
2021-22	\$2,893,854	\$2,175,258	\$2,356,688	81%
2022-23	\$3,062,687	\$2,525,087 ⁷	\$2,637,703 ⁸	86% ⁹ PROJECTED

Source: Richmond Rent Program, 2023 (reports generated using eTRAKiT and MUNIS software systems.)

The decrease in Revenues and Rental Housing Fees for fiscal year 2023-24 is due to the current reserve balance level approaching twenty-five percent (25%) of the current year budgeted expenditures. The Reserve Policy requires the Board to maintain a minimum total reserve balance equal to eighteen percent (18%) of the Board’s current year budgeted expenditures, not to exceed twenty-five percent (25%). If the total reserve balance exceeds twenty-five percent (25%) of the current year annual budget or is anticipated to exceed twenty-five percent (25%) of the following year’s annual budget, the Executive Director or their Designee shall prioritize the use of the excess funds in reducing any subsequent Residential Rental Housing Fee proposal.

⁴ Includes revenue collected by the collection agency.

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

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

⁷ Represents projected total expenses through the end of FY 2022-23.

⁸ Represents projected total revenues through the end of FY 2022-23, excluding interest.

⁹ Represents a collection rate based on projected revenues through the end of FY 2022-23.

The Fully and Partially Covered Fees decreasing in fiscal year 2023-24 is temporary. Additionally, the decrease in fees is due to the Cost Pool charges not being budgeted for General Liability, Administrative Charges, and Workers' Compensation Insurance. Cost Pool for the Civic Center rent has been budgeted. Matrix Consulting is still currently conducting a Cost Pool study with the City on the General Liability, Administrative Charges, and Workers' Compensation Insurance allocation methodology and amounts. Once the study is complete and Cost Pool charges are settled with the City of Richmond, the actual amounts will be included and budgeted in the following fiscal years. The Rent Program is continuing discussions with the City of Richmond on the Cost Pool allocations.

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 2023-24 fiscal year is expected to be above 86 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.

IV. FISCAL YEAR 2023-24 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;
- Costs of education and outreach, including the printing and distribution of print materials and hosting of community workshops and seminars;
- Contracts for legal referrals, translation and other professional services;

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 number 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 2023-24 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

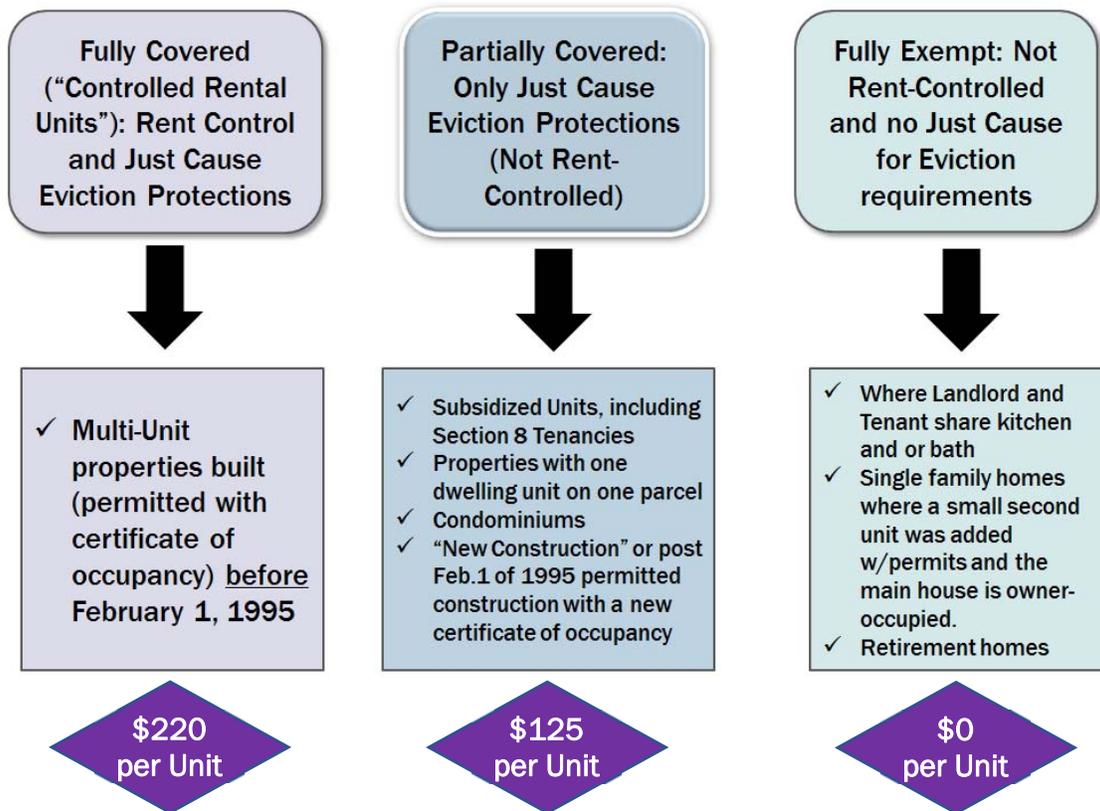
concept and identifies key example tasks associated with each program component. This list is not exhaustive; the tasks below are identified for illustrative purposes only.

Figure 2. Fee Layers and Associated Tasks

Program Layer (55%)
<ul style="list-style-type: none"> • Agency administration and management • Legal defense of the Rent Ordinance and agency policies • Preparing studies, regulations, and reports as directed by the Rent Board • Database development and maintenance • Billing and collection of the Rental Housing Fee • Website maintenance • Development of informational materials • Interdepartmental coordination
Just Cause for Eviction Layer (20%)
<ul style="list-style-type: none"> • Public education and outreach (includes counseling on evictions) • Legal services referrals to community services agencies • Administration of Relocation Ordinance • Administration of eviction-related complaints • Evictions intervention mediations (payment plan agreements and mediations to avoid breach of lease/nuisance etc.) • Processing of termination of tenancy notices and associated outreach
Rent Control Layer (25%)
<ul style="list-style-type: none"> • Public education and outreach (includes counseling) • Legal services referrals to community services agencies • Administration of petition and hearings to adjudicate Rent Adjustment Petitions and Excess Rent Complaints • Rent Registration and tracking of the Maximum Allowable Rent • Processing of rent increase notices and courtesy compliance letters

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, identifies the types of units within each of these categories and the proposed fee.

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



Applicable Unit Counts and Database Development

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

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

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

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

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

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

Since the adoption of last year's Rental Housing Fee, staff members have continued to refine the database of Rental Units through processing 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 March 2023. In total, records indicate that the Rent Program is aware of 18,134 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 may 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, 2021 – 2023

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

STATUS	2021 TOTAL	2022 TOTAL	2023 TOTAL	CHANGE BETWEEN 2022 AND 2023
SUSPECTED FULLY COVERED RENTAL UNITS	31	33	32	-1
FULLY COVERED RENTAL UNITS	7,484	7,632	7,717	+85
SUBTOTAL - FULLY COVERED UNITS	7,515	7,665	7,749	+84
SUSPECTED PARTIALLY COVERED RENTAL UNITS (EXCLUDING GOV SUBSIDIZED RENTAL UNITS)	203	124	116	-8
PARTIALLY COVERED RENTAL UNITS (EXCLUDING GOV SUBSIDIZED RENTAL UNITS)	5,497	5,863	5,782	-81
SUBTOTAL - PARTIALLY COVERED UNITS (EXCLUDING GOV SUBSIDIZED RENTAL UNITS)	5,700	5,987	5,898	-89
SUBTOTAL - GOVERNMENTALLY SUBSIDIZED RENTAL UNITS	4,508	4,498	4,487	-11
TOTAL APPLICABLE UNITS	17,723	18,150	18,134	-16
OWNER OCCUPIED	5,625	5,759	5,827	+68
RENT FREE	259	250	244	-6
NOT AVAILABLE FOR RENT	315	265	243	-22
NOT APPLICABLE ¹⁰	805	533	530	-3
TOTAL NON-APPLICABLE OR CONDITIONALLY EXEMPT UNITS	7,004	6,807	6,844	+37

Proposed Rental Housing Fees Associated with Proposed FY 2023-24 Budget

Table 4 below presents the fees corresponding to the proposed Fiscal Year 2023-24 budget.

Table 4. Fiscal Year 2023-24 Proposed Budget and Rental Housing Fees

UNIT COUNTS		PROPOSED FY 2023-24	CHANGE FROM FY 2023 TO 2024 (DECREASE)
TOTAL BUDGET¹¹		\$3,004,698	(\$57,989) (1.9%)
FULLY COVERED UNITS¹²	7,749	\$220	(\$6) (2.7%)
PARTIALLY COVERED UNITS (INCLUDING SUBSIDIZED UNITS)¹³	10,385	\$125	(\$2) (1.6%)
TOTAL REVENUE¹⁴		\$3,074,698	(\$31,989) (1.0%)

Comparison to Previously Adopted Rental Housing Fee and Peer Jurisdictions

On July 5, 2022, the Richmond City Council adopted [Resolution 65-20](#), approving the Fiscal Year 2022-23 Residential Rental Housing Fee in the City’s master fee schedule of \$226 per Controlled Rental Unit and \$127 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 2023-24 Rental Housing Fee to Prior Year Fees

FISCAL YEAR	FULLY COVERED RENTAL UNITS	PARTIALLY COVERED RENTAL UNITS	GOVERNMENTALLY SUBSIDIZED RENTAL UNITS ¹⁵
2017-18	\$145	\$145	N/A
2018-19	\$207	\$100	\$50
2019-20	\$212	\$112	N/A
2020-21	\$219	\$124	N/A
2021-22	\$218	\$123	N/A
2022-23	\$226	\$127	N/A
2023-24 (Proposed)	\$220	\$125	N/A

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

¹² Includes suspected Fully Covered Rental Units

¹³ Includes suspected Partially Covered Rental Units

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

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

Table 6 compiled by the Richmond Rent Program on this page compares the proposed Rental Housing Fee to fees in other jurisdictions with rent programs in the state of California. This table calculates the 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	2023-24 PROGRAM BUDGET	APPLICABLE RENTAL UNITS	RENTAL HOUSING FEES (PER UNIT)	AVERAGE RENT ¹⁶	PORTION OF FEE PASSED THROUGH TO TENANTS
ACTIVELY ENFORCED RENT PROGRAMS					
BERKELEY	\$6,602,000	19,600 Fully Covered; 5,000 Partially-Covered	\$290 per Fully Covered Unit; \$178 per Partially-Covered Unit	\$3,358	50%, City may reimburse low-income Tenants ¹⁷
EAST PALO ALTO	\$657,860	2,467	\$266	\$2,779	50%
OAKLAND	\$7,119,037	79,000	\$101	\$2,813	50%
RICHMOND	\$2,760,075 (proposed for FY 2023-24)	7,749 Fully Covered Units; 10,385 Partially Covered Units	\$220 per Fully Covered Unit; \$125 per Partially Covered Unit (proposed for FY 2023-24)	\$2,537	None
SANTA MONICA	\$5,807,003	27,484	\$228	\$4,017	50%
COMPLAINT-DRIVEN RENT PROGRAMS					
LOS ANGELES	\$22,032,000	631,000	\$38.75 per Unit	\$2,781	50%
WEST HOLLYWOOD	\$2,257,000	15,800	\$144 ¹⁸	\$3,261	50% (excludes Section 8 Tenants)
ALAMEDA	\$1,586,826	12,334 Fully Regulated Units; 1,861 Partially Regulated Units	\$155 per Fully Regulated Unit; \$105 per Partially Regulated Unit; \$0 for Subsidized Units	\$2,735	50%
SAN FRANCISCO	\$17,399,510	225,623	\$61 per apartment unit; \$30.50 per residential hotel room	\$3,313	50%

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

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

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

Conclusion and Recommended Actions

The 2023-24 budget supports 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, while also allowing recourse through the rent adjustment process. The Fiscal Years 2023-24 Fee Study and Budget allows the agency to recover costs of all budgeted operations and does not necessitate raising 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 2023-24 Budget to provide the support necessary for continued development of all Rent Program operations.
- Receive and approve the Fiscal Year 2023-24 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 2023-24 of \$220 for Fully Covered Rental Units and \$125 for Partially Covered Rental Units.

V. UNIT DESCRIPTIONS

Management Unit (2.25 FTEs)

The Management Unit, comprised of the Executive Director (1 FTE), Deputy Director (1 FTE), and Senior Administrative Analyst (0.25 FTE), who are 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 FTEs)

The Legal Unit includes General Counsel (1 FTE), Staff Attorney (1 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 increases and termination notices in accordance with the requirements of the Rent Ordinance.

Public Information and Enrollment Unit (7.00 FTEs)

The Public Information and Enrollment Unit, comprised of a Senior Management Analyst (1 FTE), Administrative Aides (3 FTEs), Rent Program Services Analysts (2 FTEs), and Office Assistant (1.00 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 are 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 (2.50 FTEs)

The Hearings Unit consists of a Hearing Examiner (1 FTE), who is supported by a Senior Administrative Analyst (0.5 FTE), Office Assistant (.25 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.

An additional Office Assistant (1 FTE) will be required to aid with handling the increased workload for the additional Board requirements. The additional Office Assistant duties would include supporting the Board Clerk with (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 the Hearing Coordinator with preparing for Rent Board Hearings, preparing all Rent Board Hearing and Appeal Hearing documents, and Hearing recordings for translation. Staff recommends adding an additional Office Assistant to support the increased workload on the Board Clerk and Hearings staff related to the logistics of conducting bilingual Board meetings and Hearings.

VI. APPENDICES

Appendix A: FY 2023-24 Budget and Fee Study Calculations

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: June 26, 2023

Final Decision Date Deadline: June 26, 2023

STATEMENT OF THE ISSUE: On February 17, 2021, the Richmond Rent Board adopted a revised reserve policy directing staff to replenish the reserve balance to 18 percent (18%) of current year budgeted operating expenditures to reflect the minimum requirement. The reserve policy mandates staff members provide an annual update of the reserve balance levels.

INDICATE APPROPRIATE BODY

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

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

RECOMMENDED ACTION: Staff recommend that the Rent Board authorize replenishing the reserves to a minimum of eighteen percent (18%) of current year budgeted expenditures for the Operating and Stability Reserve and the maximum remaining for the Catastrophic Legal Event Reserve and Catastrophic Reserve as described in the Reserve Policy – Rent Program (Nicolas Traylor/Fred Tran 620-6564).

AGENDA ITEM NO:

H-1.

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AGENDA REPORT

DATE: June 26, 2023

TO: Chair Cantor and Members of the Rent Board

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

SUBJECT: RICHMOND RENT BOARD RESERVE POLICY

STATEMENT OF THE ISSUE:

On February 17, 2021, the Richmond Rent Board adopted a revised reserve policy directing staff to replenish the reserve balance to 18 percent (18%) of current year budgeted operating expenditures to reflect the minimum requirement. The reserve policy mandates staff members provide an annual update of the reserve balance levels.

RECOMMENDED ACTION:

Staff recommend that the Rent Board authorize replenishing the reserves to a minimum of eighteen percent (18%) of current year budgeted expenditures for the Operating and Stability Reserve and the maximum remaining for the Catastrophic Legal Event Reserve and Catastrophic Reserve as described in the Reserve Policy – Rent Program (Nicolas Traylor/Fred Tran 620-6564).

FISCAL IMPACT:

The reserve policy requires the Board to maintain a minimum total reserve balance equal to eighteen percent (18%) of the Board’s current year budgeted expenditures, not to exceed twenty-five percent (25%). If the total reserve balance exceeds twenty-five percent (25%) of the current year annual budget or is anticipated to exceed twenty-five percent (25%) of the following year’s annual budget, the Executive Director or their Designee shall prioritize the use of the excess funds in reducing any subsequent Residential Rental Housing Fee proposal.

DISCUSSION:

Background

Section 11.100.060(m) of the Rent Ordinance ensures the integrity and autonomy of the Rent Board by mandating that the Rent Board “be an integral part of the government of the City [of Richmond],” and “shall exercise its powers and duties under [Chapter 11.100] independent from the City Council, City Manager, and City Attorney, except by request of the [Rent] Board.” The Rent Ordinance further vests the Rent Board with the

ITEM H-1

sole power to oversee and adopt its own budget, while establishing that “the City Council and the City Manager shall have no authority to oversee, supervise, or approve this budget.” The Rent Program budget is comprised only of reasonable and necessary expenses to achieve the purpose of the Rent Ordinance and is currently funded in whole by annual registration fees charged to all Landlords in an amount deemed reasonable by the Rent Board and approved by the City Council.

In December 2019, the Rent Board directed Rent Program staff members to negotiate and execute a contract with a financial consultant to, among other tasks, provide recommendations regarding financial and budgetary “best practices” to be utilized by the Rent Board and Rent Program staff members, specifically as it relates to the preparation of an annual budget and fee study for approval by the Rent Board. In April 2020, in consideration of the recommendations and best practices presented by Kevin W. Harper CPA & Associates, the Rent Board directed staff to develop a financial reserve policy.

At a City Council meeting in the Spring of 2020, amid the Covid-19 Pandemic, and in affirmation of the Rent Board’s independence, the City of Richmond City Council successfully voted to not provide the City of Richmond Rent Board with any financial relief if the Rent Board were to fall into a fiscal deficit. Having no financial safety net from the City of Richmond and being an independent agency, which necessitates an ability to self-determine through financial independence, it is fiscally prudent and consistent with the mandate of the Rent Ordinance for the Rent Board to maintain reserves in an amount necessary to overcome any shortfalls in its ability to cover its annual expenses.

At their meeting on January 20, 2021, Rent Board members received a proposed operating reserve policy and directed staff to revise the policy to reflect a minimum reserve balance of 18 percent (18%) of current year budgeted operating expenditures, not to exceed twenty-five percent (25%). The revised policy was approved at the February 17, 2021, Rent Board meeting.

The Rent Board provides services that regulate those landlord tenant matters that reasonably relate to rents and evictions. These services have an impact on quality of life for community members as they touch upon the health, stability, and affordability of housing within the community. Prudent use of resources helps determine how effectively these services are provided on an ongoing basis. Reserve funds help ensure that the Board sets aside adequate resources to mitigate the potential negative economic impacts of unforeseen circumstances and emergencies. The reserve policy establishes the amount that the Rent Board will strive to maintain in its Special Revenue Operating Fund Reserves, how the Reserves will be funded, and the conditions under which Reserves may be used.

Reserve Policy

In summary, the reserve policy accomplishes three main objectives:

ITEM H-1

- 1) Establishes three categories of Reserves and creates a procedure whereby those amounts within the Reserves may be accessed;
- 2) Requires that any amount of the Reserves that are appropriated for spending be replenished; and
- 3) Sets a maximum cap on the total amount of Reserves that can be held at one time and require that any amount in excess of the Reserve maximum cap be used to reduce future Rental Housing Fees.

Reserve Funds and Target Balances

The policy indicates that the Rent Board shall maintain a minimum Special Revenue Operating Fund Unrestricted Committed Fund balance of at least eighteen percent (18%) of operating expenditures for budget stability, cash flow, and contingencies such as catastrophic events and unforeseen operating or capital needs. This is based on the risk assessment methodology for setting reserve levels developed by the Government Finance Officers Association of the United States and Canada.

Since the bulk of Rental Housing Fee revenue is collected in the second and third period of the fiscal year (August and September), the reserve policy requires that in a given year where revenues are greater than expenditures, the Rent Board permit a minimum of two months, and maximum of three months, of budgeted expenses to be carried over for the next fiscal year. These funds shall not be considered part of the Rent Board's reserve balance. The table below illustrates how the policy would apply to current year budgeted expenses based on the direction received from the Board.

Table 1. Proposed Reserve Funds

Name	Purpose	Target Level	Target Level (\$) (based on FY 22/23 Budget)
Operating and Stability Reserve	Provide fiscal stability and mitigate loss of service delivery and financial risks associated with unexpected revenue shortfalls during a single fiscal year or during a prolonged recessionary period.	18% of current year budgeted expenditures (Adopted Budget \$2,738,580)	\$492,944
Catastrophic Legal Event Reserve	Offset unforeseen legal costs that exceed currently allocated legal fees.	50% of any remaining reserve balances after the Operating and Stability Reserve is sufficiently funded at 18% of current year budgeted expenditures	Min: \$0 Max:\$74,489
Catastrophic Reserve	Mitigate costs associated with unforeseen emergencies, such as a disaster or catastrophic event.	50% of any remaining reserve balances after the Operating and Stability Reserve is	Min: \$0 Max:\$74,489

ITEM H-1

		sufficiently funded at 18% of current year budgeted expenditures	
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Status of Current Fund Balances

Financial projections suggest that the Rent Program will be able to satisfy the proposed target reserve balances at the end of the current Fiscal Year 2022-23 and maintain a starting balance in Fiscal Year 2023-24 equivalent to at least two months of budgeted operating expenses. Table 2 contains a summary of the figures relied upon to reach this conclusion.

Table 2. Financial Projections and Proposed Contribution to Reserves

Category	Amount
Current Revenues (FY 2022-23 Actual as of end of May 2023)	\$2,590,521
Current Expenditures (FY 2022-23 Actual as of end of May 2023)	\$2,299,657
Starting Fund Balance - Beginning FY 2022-23 Financial Projection	\$584,010
Projected Revenues (FY 2022-23 Projected through end of Q4)¹	\$2,614,258
Projected Expenditures (FY 2022-23 Projected through end of Q4)²	\$2,567,690
Projected Surplus (Ending FY 2022-23)	\$46,568
Proposed FY 22-23 Contribution to Reserves	\$116,568
<i>Proposed Contribution to Operating and Stability Reserve</i>	<i>\$22,014</i>
<i>Proposed Contribution to Catastrophic Legal Event Reserve</i>	<i>\$47,277</i>
<i>Proposed Contribution to Catastrophic Reserve</i>	<i>\$47,277</i>
Starting Fund Balance (Beginning FY 2023-24)	\$514,010

Reserve Balance – After Contribution:

<i>Operating and Stability Reserve balance after proposed funding:</i>	<i>\$492,944</i>
<i>Catastrophic Legal Event Reserve balance after proposed funding:</i>	<i>\$74,489</i>
<i>Catastrophic Reserve balance after proposed funding:</i>	<i>\$74,489</i>
Total Reserve Balance	\$641,922

RECOMMENDED ACTION:

Staff recommend that the Rent Board authorize replenishing the reserves to a minimum of eighteen percent (18%) of current year budgeted expenditures for the Operating and Stability Reserve and the maximum remaining for the Catastrophic Legal Event Reserve and Catastrophic Reserve as described in the Reserve Policy (Attachment 1) and proposed in Table 1 and 2 above.

¹ Projected revenue based on the 10-year Financial Projection.

² Projected expenditures based on the 10-year Financial Projection.

DOCUMENTS ATTACHED:

Attachment 1 – City of Richmond Rent Board Resolution No. 21-01 Reserve Policy

Attachment 2 – 10-Year Financial Projection

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CITY OF RICHMOND RENT BOARD RESOLUTION NO. 21-01
ADOPTING CITY OF RICHMOND RENT BOARD RESERVE POLICY

WHEREAS, on November 8, 2016, Richmond Residents passed ballot initiative Measure L, with 65.27% voting Yes, which established Rent control and Just Cause for Eviction within the City limits of Richmond; and

WHEREAS, Measure L encapsulates the edicts of Rent Control and Just Cause for Eviction within a voter-adopted Ordinance, called “The Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance,” and herein referred to as “Rent Ordinance”; and

WHEREAS, Measure L, among other things, created an independent agency and vested within that agency broad powers of administering and executing the provisions of the Rent Ordinance; and

WHEREAS, pursuant to Richmond Municipal Code Section 11.100.060(m), to ensure the integrity and autonomy of the Rent Board, Measure L mandates the Rent Board “be an integral part of the government of the City [of Richmond]”, and establishes that the Rent Board “shall exercise its powers and duties under [Chapter 11.100] independent from the City Council, City Manager, and City Attorney, except by request of the [Rent] Board.”; and

WHEREAS, in furtherance of its independence, Measure L vests the Rent Board with the sole power to oversee and adopt its own budget, while establishing that “the City Council and the City Manager shall have no authority to oversee, supervise, or approve this budget”; and

WHEREAS, to finance the budget, which must be comprised of only reasonable and necessary expenses, Measure L provides that the Rent Board shall charge Landlords annual registration fees in an amount deemed reasonable by the Rent Board; and

WHEREAS, in affirmation of the Rent Board’s independence, the City of Richmond City Council, successfully voted to not provide the City of Richmond Rent Board with any financial relief if the Rent Board were to fall into a fiscal deficit; and

WHEREAS, having no financial safety net from the City of Richmond City Council and being an independent agency, which necessitates an ability to self-determine through financial independence, it is fiscally prudent and consistent with the mandate of Measure L for the City of Richmond Rent Board to maintain reserves in an amount necessary to overcome any shortfalls in its ability to cover its annual expenses; and

WHEREAS, consistent with prudence, on December 18, 2019, the City of Richmond Rent Board directed Rent Program staff members to negotiate and execute a contract with a financial consultant to: (1) Develop and present two, five, and 10-year financial projections of both revenues, expenditures, and reserves for the Rent Program agency, specifically as they relate to collection of the Rental Housing Fee; (2) Provide recommendations on how to meet the Rent Program's goal of building 17% operating reserves by the close of the 2020-21 fiscal year, and how best to achieve long-term financial stability in a manner that is consistent with all applicable laws and regulations including but not limited to Section 50076 of the California Government Code; and (3) Provide recommendations regarding financial and budgetary "best practices" to be utilized by the Rent Board and Rent Program staff members, specifically as it relates to the preparation of an annual budget and fee study for approval by the Rent Board; and

WHEREAS, on February 3, 2020, the City of Richmond Rent Board contracted with Kevin W. Harper CPA & Associates to engage his financial services; and

WHEREAS, between the months of February and March 2020, Rent Program staff members worked with Kevin W. Harper CPA & Associates to develop financial and budgetary recommendations and best practices for the City of Richmond Rent Board's consideration; and

WHEREAS, on April 15, 2020, in consideration of the recommendations and best practices presented by Kevin W. Harper CPA & Associates, the City of Richmond Rent Board directed staff to develop a financial reserve policy; and

WHEREAS, it is prudent that the City of Richmond Rent Board adopt a reserve balance policy that adequately reflects both (1) the City of Richmond Rent Board's dependence on the Residential Rental Housing Fee, charged to all Richmond Landlords on an annual basis, and which has proved to be a volatile revenue source given year-to-year fluctuations in the number of applicable Rental Units upon which the Residential Rental Housing Fee may be assessed, and (2) the City of Richmond's inability to financially support the City of Richmond Rent Board during times of crisis and/or financial uncertainty.

NOW, THEREFORE, BE IT RESOLVED THAT:

The City of Richmond Rent Board adopts the City of Richmond Rent Board Reserve Policy contained in Attachment A, which will do the following:

- 1) Establish three categories of Reserves and create a procedure whereby those amounts within the Reserves may be accessed;
- 2) Require that any amount of the Reserves that are appropriated for spending be replenished; and
- 3) Sets a maximum cap on the total amount of Reserves that can be held at one time and require that

any amount in excess of the Reserve maximum cap be used to reduce future annual registration fees.

ATTACHMENT A:

TITLE: Richmond Rent Board Special Revenue Fund Operating Reserve Policy

The Richmond Rent Board Special Revenue Fund Operating Reserve Policy is to be reviewed by the Rent Board as part of their annual operating budget review and adoption process.

AUTHORITY:

Richmond Municipal Code Section 11.100.060(m) confers on the Rent Board integrity and autonomy, rendering the exercise of its powers and duties independent from the City Council, City Manager, and City Attorney, except by request of the Rent Board. As a consequence of its independence, Richmond Municipal Code 11.100.060(n) establishes that the Rent Board has the sole power to establish its own annual budget for each ensuing fiscal year, and that the City Council and City Manager shall have no authority to oversee, supervise, or approve this budget. This authority necessarily includes the approval of financial policies which establishes and directs the operations of its services provided through the Richmond Rent Program. The Executive Director of the Richmond Rent Program is responsible for carrying out the policy directives of the Rent Board and managing the day-to-day operations of the Richmond Rent Program. This policy shall be administered on behalf of the Richmond Rent Board by the Executive Director of the Richmond Rent Program or their Designee.

PURPOSE:

The Rent Board provides services that have an impact on quality of life for community members. Prudent use of resources helps determine how effectively these services are provided on an ongoing basis. Reserve funds help ensure that the Board sets aside adequate resources to mitigate the potential negative economic impacts of unforeseen circumstances and emergencies.

The Rent Board desires to maintain a prudent level of financial resources to ensure compliance with the Rent Ordinance while guarding its stakeholders against service disruption in the event of unexpected temporary revenue shortfalls or unforeseen one-time expenditures. The Special Revenue Operating Fund Reserves are accumulated and maintained in governmental funds in order to provide stability and flexibility to respond to unexpected adversity and/or opportunities.

This policy establishes the amount that the Rent Board will strive to maintain in its Special Revenue Operating Fund Reserves, how the Reserves will be funded, and the conditions under which Reserves may be used.

BACKGROUND:

Fiscally, the Rent Board operates under a Special Revenue Operating Fund. The Special Revenue Operating Fund is an account for financial resources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. Because the Rent Board is a Cost-Recovery Agency, State law restricts the use of its funds received through the Residential Rental Housing Fee. The expenditure of Residential Rental Housing Fees is limited to only those services and/or activities that pertain to those landlord/tenant matters that reasonably relate to rents and evictions.

Under ordinary accounting standards, and consistent with the Fiscal Year 2020-21 Reserve Policy of the City of Richmond, there are five separate components of a Fund balance, each of which establishes specific parameters controlling the specific purpose for which amounts may be spent:

1. **Non-Spendable Fund Balance** – Cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to remain intact.
2. **Restricted Fund Balance** – Restricted either externally imposed or imposed by law through constitutional provisions or enabling legislation.
3. **Unrestricted Committed Fund Balance** – Reserved for specific purposes pursuant to constraints imposed by formal action of the Rent Board.
4. **Unrestricted Assigned Fund Balance** – Reserved by the Rent Board or Executive Director for specific purposes, but neither restricted nor committed.
5. **Unrestricted Unassigned Fund Balance** – Residual balance not classified in any of the above categories and has not been restricted, committed, nor assigned to specific purposes.

In the Unrestricted Committed Fund Balance, the Rent Board, as the City of Richmond’s highest level of decision-making authority as it relates to the Rent Board budget, may commit funds for specific purposes pursuant to constraints imposed by formal action taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the Rent Board removes or changes the specific use through the same type of formal action taken to establish the commitment. An affirmative vote of three (3) Rent Board members is required to both approve and remove a commitment. Any Commitment of Fund Balance by the Rent Board must be prior to the end of the fiscal year. An example of committed funds is committing an amount of fund balance equal to the expected costs for replacing an existing database, which is demonstrated to be a reasonable and necessary expense, or establishing an operating reserve.

It is recommended that the Rent Board adopt a policy that provides for three reserves within the Rent Board’s Unrestricted Committed Fund Balance: (1) an Operating and Stability Reserve, (2) a Catastrophic Legal Reserve, and (3) a Catastrophic Reserve. Furthermore, because the bulk of Rental Housing Fee revenue is collected in the third and fourth period of the fiscal year (September and October), it is also recommended that the Rent Board include in this policy the requirement that Rent Board monitor its finances with the intent to end each fiscal year with a fund balance equivalent to a minimum of two months, and maximum of three months, of budgeted expenses for the next fiscal year. These funds shall not be considered part of the Rent Board’s reserve balance.

DESCRIPTION AND APPROPRIATE RESERVE BALANCE LEVELS:

The Rent Board shall maintain a minimum Special Revenue Operating Fund Unrestricted Committed Fund balance of at least eighteen percent (18%) of operating expenditures for budget stability, cash flow, and contingencies such as catastrophic events and unforeseen operating or capital needs. This is based on the risk assessment methodology for setting reserve levels developed by the Government Finance Officers Association of the United States and Canada. Following are the three categories of Reserves hereby created and their respective reserve target levels:

- (1) ***Operating and Stability Reserve:*** The Rent Board shall maintain year-end contingency reserve balances in an Operating and Stability Reserve equivalent to a minimum of eighteen percent (18%) of current year budgeted expenditures. The purpose of the Operating and Stability Reserve is to provide fiscal stability and mitigate loss of service delivery and financial risks associated with unexpected revenue shortfalls during a single fiscal year or during a prolonged recessionary period. As the Rent Board experiences net revenue gains in future years, the Operating and Stability Reserve balance must grow back to eighteen percent (18%) of total expenditures to allow the Rent Board to build up its capacity to handle future

short term economic downturns or emergencies without cutting services. A policy based upon a percentage assures that the reserve will remain a prudent cushion as the Rent Board's budget grows over time.

- (2) ***Catastrophic Legal Event Reserve:*** The Rent Board shall maintain a Catastrophic Legal Event Reserve equivalent to fifty percent (50%) of any remaining reserve balances after the Operating and Stability Reserve is sufficiently funded at eighteen percent (18%) of current year budgeted expenses. The purpose of the Catastrophic Legal Event Reserve is to offset unforeseen legal costs that exceed currently allocated legal fees. Should an unforeseen lawsuit be brought against the Rent Board that results in the Rent Board owing fees and costs that exceed those legal expenditures provided for in the annual budget, the Executive Director or their Designee shall have the authority to approve Catastrophic Legal Event Reserve appropriations; however, the Executive Director's or their Designee's approval of use of Catastrophic Legal Event Reserves shall not automatically result in the disbursement of said funds. Subject to the principles of Attorney Client Privilege and the Brown Act, the Executive Director or their Designee's approval must be certified by a majority of the Rent Board Member's at a noticed Board Meeting. The certification shall be accompanied by a budget amendment confirming the nature of the emergency and authorizing the appropriation of reserve funds.
- (3) ***Catastrophic Reserve:*** The Rent Board shall maintain a Catastrophic Reserve equivalent to fifty percent (50%) of any remaining reserve balances after the Operating and Stability Reserve is sufficiently funded at eighteen percent (18%) of current year budgeted expenses. The purpose of the Catastrophic Reserve is to mitigate costs associated with unforeseen emergencies, such as a disaster or catastrophic event. Should unforeseen events occur that require the expenditure of the Rent Board's resources beyond those provided for in the annual budget, the Executive Director or their Designee shall have the authority to approve Catastrophic Reserve appropriations; however, the Executive Director's or their Designee's approval of use of Catastrophic Reserves shall not automatically result in the disbursement of said funds. Rather, the Executive Director or their Designee's approval must be certified by a majority of the Rent Board Member's at a noticed Board Meeting. The certification shall be accompanied by a budget amendment confirming the nature of the emergency and authorizing the appropriation of reserve funds. Should a catastrophic event occur, the required reserve level of fifty percent (50%) of any remaining reserve balances after the Operating and Stability Reserve is sufficiently funded should be adequate to meet the Rent Board's financial needs. For instance, in the event of a natural disaster, the Catastrophic Reserve would provide necessary coverage for basic operating expenses, including costs of relocating of the Richmond Rent Program to another site if the current structure is destroyed and lease costs therein, while still meeting debt service obligations for approximately 90 days. This time frame would enable the Rent Board to seek other available cash alternatives.

COMPLIANCE:

The Rent Board will measure its compliance with this Policy as of June 30 of each year, or as soon as is practical after final year-end account information becomes available. During the course of the year, Rent Program staff members shall deliver to the Rent Board monthly variance reports, so that the Rent Board may closely monitor its revenues and expenditures to ensure Reserves are, or are projected to be, sufficiently funded and used only in accordance with this Policy.

If, based on staff's analysis and forecasting, the target level of Reserves is or is anticipated to be insufficient based upon the target levels established in this Policy, then during the annual budget process, Fund Balance levels shall be provided to the Rent Board as an agenda item for discussion. Should the projected year-end Fund Balance be below the minimum Reserve amount established by this Policy, a plan to replenish the Reserve shall be established based on the requirements outlined in this Policy.

FUNDING OF RESERVES:

Funding of all Reserve targets will generally come from committed funds, excess revenues over expenditures, or one-time revenues.

CONDITIONS FOR USE OF RESERVES:

It is the intent of the Rent Board to limit the use of all Reserves under this Policy to address unanticipated, non-recurring (one-time) needs. Reserves shall not normally be applied to recurring annual operating expenditures. Reserves may, however, be used to allow for the Rent Board to restructure its operations in a deliberate manner (as might be required in an economic downturn), but such use will only take place in the context of an adopted long-term financial plan.

ALLOCATION OF RESERVE FUNDS:

The Rent Board will allocate committed funds, excess revenues over expenditures, or one-time revenue to Reserves by June 30 of each year, or as soon as is practical after final year-end account information becomes available

PERIODIC REVIEW OF RESERVE TARGETS:

Compliance with these sections will be reviewed in conjunction with the annual budget process. At a minimum, during the annual budget process, Rent Program staff members shall review the current and three-year projected Reserves to ensure that they are appropriate given the economic and financial risk factors the Rent Board is subject to.

USE AND REPLENISHMENT OF FUNDS:

The Rent Board's discretionary use of the reserve balances shall be limited by the "Compliance" section of this Policy. Where the Rent Board exercises its direction and appropriates any Reserve Funds consistent with Section (2) of this Policy, the funds shall be replenished in a manner consistent with the following:

- (1) Reserve Funds may be allocated for one-time emergencies (or capital projects deemed appropriate by the Board) only; reserve funds are not to be used for ongoing expenses. Rent Board approval is required before any withdrawals from a reserve fund are initiated.
- (2) In no event shall the total amount of Reserve Funds, as described in Section (2) of this Policy, exceed twenty-five percent (25%) of the annual budget in any current year. Where the total

Reserve Funds either exceed twenty-five percent (25%) of the current year annual budget or are anticipated to exceed twenty-five percent (25%) of the following year's annual budget, the Executive Director or their Designee shall prioritize the use of the excess funds in reducing any subsequent Residential Rental Housing Fee proposal.

- (3) Notwithstanding Section (2), since the majority of Rental Housing Fee revenue is collected in the third and fourth period of the fiscal year (September and October) the Rent Board shall monitor its finances with the intent to end each fiscal year with a fund balance equivalent to a minimum of two months, and maximum of three months, of budgeted expenses for the next fiscal year. These funds shall not be considered part of the Rent Board's reserve balance.

Dated: February 17, 2021

Adopted by the Richmond Rent Board of the City of Richmond by the following vote:

AYES: Boardmembers, Conner, Finlay and Chair Maddock.

NOES: None.

ABSENT: Vice Chair Gerould.

ABSTENTIONS: None.

CYNTHIA SHAW
Cynthia Shaw, Rent Board Clerk

LAUREN MADDOCK
Lauren Maddock, Chair

Approved as to form:

CHARLES OSHINUGA
Charles Oshinuga, Rent Board Legal Counsel

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AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: June 26, 2023

Final Decision Date Deadline: June 26, 2023

STATEMENT OF THE ISSUE: Section 11.100.070(b) of the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance provides no later than June 30 of each year, the Board shall announce the percentage by which Rent for eligible Rental Units will be generally adjusted effective September 1 of that year. Adoption of a regulation is necessary to announce the amount of the 2023 Annual General Adjustment applicable to those tenancies that were in effect prior to September 1, 2022.

INDICATE APPROPRIATE BODY

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

ITEM

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|---------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Regulation | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Contract/Agreement | <input checked="" 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: ADOPT Regulation 612, establishing the 2023 Annual General Adjustment in the amount of 3.0% for tenancies commencing prior to September 1, 2022 – Rent Program (Nicolas Traylor/Charles Oshinuga 620-6564).

AGENDA ITEM NO:

H-2.

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AGENDA REPORT

DATE: June 26, 2023

TO: Chair Cantor and Members of the Rent Board

FROM: Nicolas Traylor, Executive Director
Charles Oshinuga, General Counsel

SUBJECT: REGULATION ANNOUNCING THE 2023 ANNUAL GENERAL ADJUSTMENT

STATEMENT OF THE ISSUE:

Section 11.100.070(b) of the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance provides no later than June 30 of each year, the Board shall announce the percentage by which Rent for eligible Rental Units will be generally adjusted effective September 1 of that year. Adoption of a regulation is necessary to announce the amount of the 2023 Annual General Adjustment applicable to those tenancies that were in effect prior to September 1, 2022.

RECOMMENDED ACTION:

ADOPT Regulation 612, establishing the 2023 Annual General Adjustment in the amount of 3.0% for tenancies commencing prior to September 1, 2022 – Rent Program (Nicolas Traylor/Charles Oshinuga 620-6564).

FISCAL IMPACT:

There is no fiscal impact related to this item.

DISCUSSION:

Background

Measure P amended Richmond Municipal Code Section 11.100.070(b)(1), to explain that the Annual General Adjustment is equal to sixty percent (60%) of the percentage increase in the Consumer Price Index (All Urban Consumers, San Francisco-Oakland-San Jose region) as reported by the U.S. Department of Labor, Bureau of Labor

ITEM H-2

Statistics, or three percent (3.0%), whichever is lower, for the 12-month period ending as of March of the current year,. (Attachment 2).¹

No later than June 30 of each year, the Rent Board must announce the amount of the Annual General Adjustment for the current year. This percentage represents the Annual General Adjustment that may take effect September 1.

Calculation of the Maximum Allowable Rent

As written, Regulation 612 announces the Annual General Adjustment by which the Maximum Allowable Rent may increase for Controlled Rental Units. To reduce the risk of error, staff members utilize the U.S. Department of Labor, Bureau of Labor Statistics' determination of the CPI in a given 12-month period. The chart in Attachment 2 contains the CPI percentage for the last five years.

The change in the Consumer Price Index for 2023 is 5.3%. Sixty percent (60%) of 5.3% is 3.18%. Because 3.18% is larger than 3.0%, the Annual General Adjustment for 2023 is 3.0%.

Next Steps

Staff members will draft a template rent increase notice for Landlord use based on the new 2023 Annual General Adjustment. These forms will be available on the Rent Program website (www.richmondrent.org), within thirty days (30) upon Rent Board adoption of Regulation 612.

In addition, staff members will send an announcement to community members announcing the 2023 Annual General Adjustment. Additional community engagement and education is anticipated to address questions regarding application of the 2023 AGA in September 2023.

DOCUMENTS ATTACHED:

Attachment 1 – Regulation 612, Establishing the 2023 Annual General Adjustment

Attachment 2 – Bureau of Labor Statistics Consumer Price Index Table – All Urban Consumers

¹ Since the Consumer Price Index is not announced for the San Francisco-Oakland-San Jose region in March, staff established utilization of the amount published in February.

ITEM H-2 ATTACHMENT 1

612. Annual General Adjustment Order for 2023

The percentage increase in the CPI from 2022-2023 is 3.0%. Subject to Regulation 601, and any other applicable Regulation and/or provision of the Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance, the following Annual General Adjustment shall apply:

- A. The 2023 Annual General Adjustment is not to exceed 3.0%.
- B. The Annual General Adjustment granted by this Regulation shall become effective on September 1, 2023, provided that the Landlord is in full compliance with all applicable provisions of the provisions of the Richmond Fair Rent, Just Cause For Eviction and Homeowner Protection Ordinance, outstanding Rent Board and/or Hearing Examiner Orders, and any other applicable Regulation.
- C. Where the Landlord is entitled to the adjustment pursuant to the provisions of the Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance, and any other applicable Regulation, the Annual General Adjustment granted by this Regulation does not automatically provide for a rent increase. A Landlord may increase Rent by the 2023 Annual General Adjustment for tenancies in effect prior to September 1, 2022, only if the Landlord is in compliance with Regulation 601, and has complied with any existing Rent Board and/or Hearing Examiner Order(s).

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**U.S. BUREAU OF LABOR STATISTICS**

Databases, Tables & Calculators by Subject

Change Output Options:

From: 2019 To: 2023

 include graphs include annual averages[More Formatting Options](#)

Data extracted on: June 22, 2023 (4:11:28 PM)

CPI for All Urban Consumers (CPI-U)**Series Id:** CUURS49BSA0

Not Seasonally Adjusted

Series Title: All items in San Francisco-Oakland-Hayward, CA, all urban consumers, not seasonally adjusted**Area:** San Francisco-Oakland-Hayward, CA**Item:** All items**Base Period:** 1982-84=100**Download:** [xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2019		291.227		294.801		295.259		295.490		298.443		297.007	295.004	293.150	296.859
2020		299.690		298.074		300.032		300.182		301.736		302.948	300.084	299.109	301.059
2021		304.387		309.419		309.497		311.167		313.265		315.805	309.721	306.724	312.718
2022		320.195		324.878		330.539		328.871		332.062		331.222	327.060	323.408	330.711
2023		337.173		338.496											

12-Month Percent Change**Series Id:** CUURS49BSA0

Not Seasonally Adjusted

Series Title: All items in San Francisco-Oakland-Hayward, CA, all urban consumers, not seasonally adjusted**Area:** San Francisco-Oakland-Hayward, CA**Item:** All items**Base Period:** 1982-84=100**Download:** [xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2019		3.5		4.0		3.2		2.7		3.0		2.5	3.3	3.7	2.9
2020		2.9		1.1		1.6		1.6		1.1		2.0	1.7	2.0	1.4
2021		1.6		3.8		3.2		3.7		3.8		4.2	3.2	2.5	3.9

2022		5.2		5.0		6.8		5.7		6.0		4.9	5.6	5.4	5.8
2023		5.3		4.2											

U.S. BUREAU OF LABOR STATISTICS Postal Square Building 2 Massachusetts Avenue NE
Washington, DC 20212-0001

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