AGENDA ITEM REQUEST FORM

Department: Rent Program **Department Head:** Nicolas Traylor **Phone:** 620-6564

Meeting Date: June 17, 2024 **Final Decision Date Deadline:** June 17, 2024

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 2024-25 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 2024-25 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 2024-25 of $239 for Fully Covered Rental Units and $136 for Partially Covered Rental Units.

INDICATE APPROPRIATE BODY

☐ **City Council** ☐ **Redevelopment Agency** ☐ **Housing Authority** ☐ **Surplus Property Authority** ☐ **Joint Powers Financing Authority**

☐ **Finance Standing Committee** ☐ **Public Safety Public Services Standing Committee** ☐ **Local Reuse Authority** ☒ **Other: Rent Board**

ITEM

☐ **Presentation/Proclamation/Commendation (3-Minute Time Limit)**

☐ **Public Hearing** ☐ **Regulation** ☒ **Other: BUDGET**

☐ **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 2024-25 Rent Program Budget; (2) RECEIVE and APPROVE Fiscal Year 2024-25 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 2024-25 of $239 for Fully Covered Rental Units and $136 for Partially Covered Rental Units – Rent Program (Nicolas Traylor/Fred Tran – 620-6564).

AGENDA ITEM NO:

J-1.

This page intentionally left blank

AGENDA REPORT

DATE: June 17, 2024

TO: Chair Cantor and Members of the Rent Board

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

SUBJECT: PROPOSED FISCAL YEAR 2024-25 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 2024-25 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 2024-25 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 2024-25 of $239 for Fully Covered Rental Units and $136 for Partially Covered Rental Units.

RECOMMENDED ACTION:

(1) ADOPT Revised Fiscal Year 2024-25 Rent Program Budget; (2) RECEIVE and APPROVE Fiscal Year 2024-25 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 2024-25 of $239 for Fully Covered Rental Units and $136 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 2024-25 Fiscal Year would authorize $3,299,011 in expenses and $3,399,011 in revenues. The Rental Housing Fee for the 2024-25 fiscal year is proposed: $239 for Fully Covered Rental Units and $136 for Partially Covered Rental Units.

DISCUSSION:

Proposed Fiscal Year 2024-25 Goals

The proposed Fiscal Year 2024-25 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 with the City's land management system to better support the Program and allow online enrollment and registration. Program staff are currently working with the IT and consultants to test the system.

3. **Enhance legal services** for Richmond property owners and Tenants to address rental disputes. Staff are finalizing a contract with a vendor to provide legal assistance to Richmond rental property owners and renters in FY 2024-25.

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, 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). Double the number of mass mailings to all Tenants and Landlords from 2-4 mailings. Increase in-person outreach efforts by tabling at various community events and canvasing Richmond public schools.

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 securing a new interpretation service for in-person bilingual (English/Spanish) Rent Board meetings and workshops and connecting with and

educating community stakeholders (non-profits, community groups, businesses, churches, etc.) on the Rent Ordinance and Rent Program services through regular community canvasing.

3. **Develop systems to produce Notices of the Maximum Allowable Rent (MAR)** sent to Landlords and Tenants when Tenancy Registration Forms are submitted, including a database accessible to the public where Landlords and Tenants 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 to conduct a Landlord survey** in fiscal year 2024-25 to receive assessment and feedback from the rental community on the impact of eviction protections, rent stabilization, and associated Rent Program services.

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). Work with City of Richmond to neutralize disincentives associated with Cost Pool charges and incentivize collaboration through a Cooperation Agreement.

4. **Continue to develop and refine the Rent Program's database, transitioning from using the City's TRAKiT database**, to a new database 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 2024-25 Budget Summary

The proposed total expenditures for the 2024-25 fiscal year are presented in the following categories:

Category	Proposed FY 2024-25 Budget
Salaries and Wages	$1,900,425
Fringe Benefits – ($1,005,294 minus $81,614 Workers' Compensation Transfer In for Cost Pool)	$923,680
Professional and Administrative Services	$387,606
Cost Pool (Admin. Charges, Space at 440 Civic Center Plaza, General Liability, Workers' Comp.) and Operating Transfer In	$0
Other Operating Expenses	$77,300
Supplemental Liability Insurance Policy (SLIP)	$9,500
Utilities	$500
TOTAL	**$3,299,011**

Proposed Fiscal Year 2024-25 Residential Rental Housing Fee Study

Section 11.100.060(l)(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, fringe benefits, and overtime;
- Risk management and supplemental liability insurance plan (SLIP);
- Charges allocated from City Departments for administrative services by central service departments, indirect costs (i.e., City Council, City

Manager, City Attorney, City Clerk, Finance, Human Resources, etc.) The Rent Program Staff is collaborating with the City to execute an agreement for Cost Pool charges;

- Information Technology (IT) costs 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 translation, interpretations, and other professional services;

Updated City Cost Pool / Fringe amounts:
Per Andrea Miller, CPFO, Director of Finance, the Cost Pool charges will be offset with a Subsidy for the current fiscal year 2023-24 and next fiscal year 2024-25. The Rent Program will not be expending any funds to recover the Cost Pool charges, 100% of the transfer will be City funded. She stressed that it will be pending City Council approval. The Subsidy will not be required to be paid back as a loan with any interest bearing, it will be considered a transfer from the City to the Rent Program to offset those Cost Pool charges.

Below is a table that displays all Cost Pool line-item Object # with the net amount to the budget and fees at zero dollars:

Cost Pool Charges - Provided by City		
Object #	***City Account Description***	**FY 24-25 PROPOSED**
400122	P-Roll Ben/Workers Comp.-Prof	81,614
400574	Cost Pool/(ISF)-Gen Liability	99,980
400586	Cost Pool/(CAP)-Admin Charges	52,481
400591	Cost Pool/Civic Ctr Allocation	56,315
391994	Oper Xfers In	(290,391)
NET COST POOL - BUDGET BALANCE		**$0**

Staff revised the Cost Pool charges provided above for line-item Object #391994 to ($290,391) which equals all the Cost Pool line-items charges at fiscal year-end to reflect the total transfer provided by the City.

Staff members recommend the Board continue to utilize a tiered-fee approach to the Fiscal Year 2024-25 Rental Housing Fee to ensure the requirements of Section 50076 of the California Government Code are met.

Originally the Rental Housing Fees were established as “flat fees,” applicable to all units regardless of partial or full subject to the Rent Ordinance. This approach was utilized during the first 1.5 years of the Program since the startup tasks and associated benefits of the agency’s costs were reasonably shared among Rental Units regardless of status.

Staff recommend funding current reserve balance level up to 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 2024-25 budget.

Table 1. Fiscal Year 2024-25 Proposed Budget and Rental Housing Fees

		Proposed for FY 2024-25	**Change from FY 2023-24 (Decrease)**
TOTAL EXPENSES:[1]		$3,299,011	$294,313 9.8%
Fully Covered Units[2]	7,857	$239	$19 8.6%
Partially Covered Units *(including subsidized units)*[3]	10,485	$136	$11 8.5%
TOTAL REVENUES[4]**:**		$3,399,011	$324,313 10.5%

[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

The table below compares the proposed Fiscal Year 2024-25 Rental Housing Fee to prior year fees.

Table 2. Comparison of Proposed Fiscal Year 2024-25 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	$220	$125
2024-25 (Proposed)	**$239**	**$136**

Conclusion and Proposed Actions

The proposed 2024-25 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 2024-25 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 2024-25 Budget and Rental Housing Fee Study

[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.

This page intentionally left blank

ITEM J-1
ATTACHMENT 1

FY 2024-25 BUDGET and RENTAL HOUSING FEE STUDY

CITY OF RICHMOND RENT PROGRAM

PROPOSED JUNE 17, 2024:

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

ACKNOWLEDGMENTS

Rent Program Department Team

Nicolas Traylor
Executive Director

Fred Tran
Deputy Director

Cynthia Shaw
Senior Administrative Analyst

Edward Argenal
Rent Program Services Analyst I

John Adams
Rent Program Services Analyst II

Roxanna Jimenez
Office Administrator

Charles Oshinuga
General Counsel

Palomar Sanchez
Staff Attorney

Julie Mendoza
Compliance Specialist

Lizeth Cortes
Student Intern

Emily Alvarado
Student Intern

Paul Cohen
Hearing Examiner

Ramona Howell
Administrative Assistant

Moises Serano
Compliance Specialist

Mónica Bejarano
Senior Management Analyst

Kiarra Tostado
Student Intern

Special Thanks to the below City staff and departments:

IT Department

Sue Hartman
IT Director

Randall Narron
Senior Programmer

Sandi Wong
IT Manager

Human Resources Department

Sharrone Taylor
Interim Director of Human Resource

Catherine Selkirk
Principal Personnel Analyst

Nicole Williams
Human Resources Analyst I

Finance Department

Andrea Miller
Director of Finance

Mubeen Qader
Deputy Director

Vrenesia Ward
Senior. Budget Analyst

Jerry Gurule
Accounting Manager

TABLE OF CONTENTS

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 2024-25 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. 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 2024-25, and Figures 2 and 3 provide a summary of full-time equivalents (FTEs) since Fiscal Year 2022-23.

Figure 1. FY 2024-25 Proposed Rent Program Organizational Chart

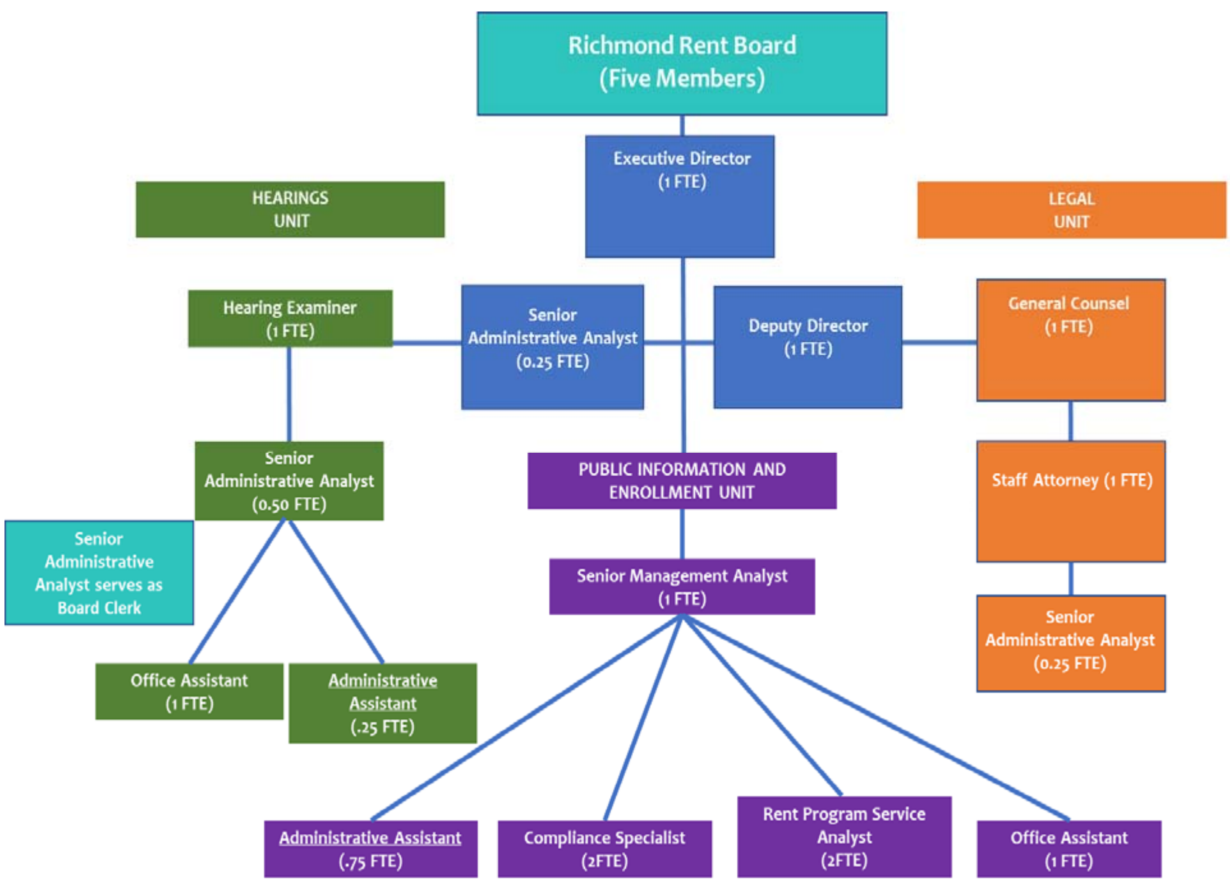


Figure 2. Proposed Fiscal Year 2024-25 Labor Summary

Unit	*Authorized Positions 2022/2023*	*Authorized Positions 2023/2024*	*Proposed Positions 2024/2025*	*Amount of Change 23/24 to 24/25*
Management	2.25	2.25	2.25	0
Legal	2.25	2.25	2.25	0
Public Information & Enrollment	6.00	7.00	7.00	0
Hearings	1.50	2.50	2.50	0
TOTAL	12	14	14	0

Figure 3. Proposed Fiscal Year 2024-25 Permanent Staff by Classification

Classification	*Authorized Positions 2022/2023*	*Authorized Positions 2023/2024*	*Proposed Positions 2024/2025*	*Amount of Change 23/24 to 24/25*
Administrative Aide	3	0	0	0
Administrative Assistant	0	1	1	0
Compliance Specialist	0	2	2	0
Deputy Director	1	1	1	0
Executive Director	1	1	1	0
General Counsel	1	1	1	0
Hearing Examiner	1	1	1	0
Office Assistant	0	2	2	0
Rent Program Services Analyst I and II	2	2	2	0
Senior Administrative Analyst	1	1	1	0
Senior Management Analyst	1	1	1	0
Staff Attorney	1	1	1	0
Total	12	14	14	0

Approved Office Assistant in FY 2023-24 to be Reclassified to Administrative Trainee or equivalent in FY 2024-25

In FY 2023-24 per the Rent Board direction in May of 2023, additional support was needed for translation and interpretation services to allow for bilingual Board meetings. Holding bilingual Board meetings required an additional Hearings Unit Staff (1 FTE) to aid with handling an increased workload for the additional Board requirements. The duties of the Staff 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 and assisting with the generation of Rent Board Agenda Packets. Additionally, the Staff person would assist the Hearing Coordinator with preparing for Rent Board Hearings, Appeals, documents, and recordings for translation.

After the recruitment process had concluded with no viable candidate identified, it was determined that the role can be reclassified to an Administrative Trainee or an equivalent level. Once the reclassification is approved, the recruitment will begin in the first quarter of FY 2024-25 for hiring in the second quarter.

Class and Compensation Agreement Side Letters to update Memorandum of Understanding (MOU) terms with the Unions

In October 2023, the City of Richmond began the implementation of the salary adjustments based on the Class and Compensation Study developed by Segal Consulting. The Representatives from the Unions and the City reached an agreement per each MOU for the compensation portion of the study with an effective date of November 1, 2023. Implementation was a lengthy and thorough process which required an enormous effort by City staff. The new salary schedule brought compensation ranges up to market. Job Descriptions were updated and modernized. All employees who were impacted by the changes were moved to their new salary ranges and steps. Some classifications were retitled or condensed as required per the Side Letter Agreements.

As the Rent Program staff are unionized City employees, their salaries, job descriptions, and classifications were adjusted per the agreed upon MOUs. The Administrative Aide classification was eliminated by the Class and Compensation Study resulting in two newly created classifications. The three Administrative Aides were transitioned to (one) Administrative Assistant and (two) Compliance Specialists per the ratification.

Bargaining Unit: SEIU Local 1021

The City 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. Implementation of the Segal Classification and Compensation Study for SEIU Local 1021 Full-Time General Employees Bargaining Unit included a four percent (4%) base wage increase effective July 1, 2023, for both the Full-Time General and the Part-Time & Intermittent Bargaining Unit staff; and adopted a resolution approving the associated salary schedule for the four percent (4%) base wage increase implemented to be effective on January 1, 2024, and 2025.

Bargaining Unit: IFPTE Local 21 Mid-Management

The City 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, and adopted a resolution approving the associated salary schedule for a four percent (4%) base wage increase implemented to be effective on January 1, 2024 and 2025.

Bargaining Unit: IFPTE Local 21 Executive Managers

The City agreed on the Classification and Compensation Study for IFPTE Local 21 Executive Managers Bargaining Unit with the following terms:

- 2024 Cost of Living Adjustment (COLA) increased from 4% to 5% effective January 1, 2024
- 2025 COLA increased from 4% to 5% effective January 1, 2025
- Beginning July 1, 2023, the City will began 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

Progress Towards the Achievement of Fiscal Year 2023-24 Goals

As part of the Fiscal Year 2024-25 Rent Program budget development process, staff members identified a series of goals that the proposed budget would support. Table 1 provides a status update on the goals established for the 2023-24 fiscal year.

Table 1. Progress towards achievement of Fiscal Year 2023-24 Goals

Fiscal Year 2023-24 Goal	Progress Towards Achievement
Develop a training schedule for Rent Program Services Analysts (but accessible to all staff), to ensure housing counselors remain knowledgeable on the requirements of the Rent Ordinance and apprised of any changes to Rent Board Regulations and related State and Federal laws.	**Completed.** 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 situationally nuanced questions on the Rent Ordinance and Rent Board Regulations.
Continue to implement the mediation program to provide free formal and informal mediation services to Landlords and Tenants as a means of	*Nearly complete, 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

resolving disputes that have a reasonable nexus to the Rent Ordinance through the assistance of a trained mediator.	per month. New guidelines separate mediation into Informal Dispute Resolution and Formal Mediation. During FY 2023-24 staff conducted The Rent Program is also assessing forms, processes, and procedures around Informal Dispute Resolution and Formal Mediation. Mediation training has been completed by the Hearing Examiner, Staff Attorney, Senior Management Analyst, and the Rent Program Service Analysts.
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.	*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 2024-25 fiscal year. The upgrade to more a modern system for Rent Programs and City-wide has been selected. The Rent Program staff is working with the IT Department and City to test and implement a new system.
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 related laws.	*Nearly complete.* While 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, several mass mailings are expected to be completed by end of FY 2023-24 or at the beginning of the new fiscal year. A "Know Your Rights" postcard started going out to all Landlords and Tenants in May 2024. At the beginning of the fiscal year, all rent-controlled tenants will receive a postcard announcing the 2024 Annual General Adjustment. The Guide to Rent Control is anticipated to be completed within the first quarter of the new fiscal year and available to the public.
Develop and Execute a Comprehensive Outreach Plan	*Progress is ongoing.* Staff continue to develop the Comprehensive Outreach Plan with several key activities planned for FY 2024-25; including additional mass mailing projects (a "Know Your Rights post-card, a post-card announcing the "2024 Annual General Adjustment "and a "Just Cause for Eviction post-card"), tabling at over 7 community events, canvassing, and creating more community partnerships with local organizations. Additionally, the Rent Program continues to conduct outreach through social media, the Program's Listserv, the City Manager's Weekly Report, and electronic announcements to all schools within Contra Costa County Unified School District. The Outreach Plan includes holding at least 10 Community Educational Workshops.
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 Landlords and Tenants.	*Progress is ongoing due to City selected vendor for Land Management System.* 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. The launching of Tenancy Registration Outreach (generating and mailing notices of the Maximum Allowable Rent) was significantly delayed by the process of gaining City approval to establish a new Rent Program database. Staff members have initiated during 2023-24 fiscal year and with the development of the Rent Program's planned database upgrade. Currently the data is being inputted into the TRAKiT platform and will later be migrated.

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 are made aware of their financial obligation to the Rent Program.	*On Track to Complete and compliance is ongoing.* Revenue from fiscal year 2023-24 and previous fiscal years is continuously being collected. The lingering financial impacts of the COVID-19 Pandemic have led to delays paying the Rental Housing Fees. The anticipated collection rate is approximately 93%. Rent Program staff anticipate that the development and utilization of a new database will increase compliance with enrollment, tenancy registration, and payment of the Residential Rental Housing Fee.
Continue to work collaboratively with the City of Richmond to create and implement policy and programs related to rents, evictions, relocation assistance, rental inspections/habitability, code enforcement, and payment of Rent Program and City fees.	*Progress is ongoing.* In September of 2023, the Rent Program authorized the Rent Program to work with the City of Richmond regarding potential revisions to the City's Rental Inspection Program. Rent Program leadership has been meeting with the City Manager's Office and the City Attorney to enhance and incentivize cooperation between the Rent Program and the City of Richmond. Cooperation may include but is not limited to assistance with the administration of existing or proposed City ordinances that align with the purpose of the Rent Ordinance and the regulatory scope of the Rent Program.
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. Rent Program financing is currently in line with the 10-year financial projection. The Rent Program will work with the City on implementing a new solution to offer Customer Relations Management, a Billing/Invoice component, an Interaction Log, Registration of tenancies, tracking of Maximum Allowable Rents, and Rent Adjustment Petition Management. Over the last several fiscal years, the Rent Program has collected adequate Rental Housing Fees to reach the 25% threshold in reserves, which means budgeting for reserves in fiscal year 2024-25 is not required (0% instead of 18%). Staff completed a year-end projection in May to ensure reserves do not exceed the 25% limit.
Conduct Tenant Survey	**Nearly complete.** A Tenant Survey to examine the impact of rent stabilization, eviction protections and Rent Program services on Richmond Tenants has been sent out and waiting total responses. To date, 16, 847 postcards have been sent out (8,097 Fully Covered/Rent Controlled and 8,750 Partially Covered/Just Cause only). Total surveys completed and returned have been 308. Result of the Tenant Survey will be presented to the Rent Board in Fiscal Year 2024-25.

Proposed Fiscal Year 2024-25 Goals

The proposed Fiscal Year 2024-25 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 with the City's land management system to better support the Program and allow online enrollment and registration. Program staff are currently working with the IT and consultants to test the system.

3. Enhance legal services for Richmond rental property owners and Tenants to address rental disputes. Staff are finalizing a contract with a vendor to provide legal assistance to Richmond rental property owners and renters in FY 2024-25.

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, 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). Double the number of mass mailings to all Tenants and Landlords from 2 to 4 mailings. Increase in-person outreach efforts by tabling at various community events and canvasing Richmond public schools.

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 securing a new interpretation service for in-person bilingual (English/Spanish) Rent Board meetings and workshops and connecting with and educating community stakeholders (non-profits, community groups, businesses, churches, etc.) on the Rent Ordinance and Rent Program services through regular community canvasing.

3. Develop systems to produce Notices of the Maximum Allowable Rent (MAR) sent to Landlords and Tenants when Tenancy Registration Forms are submitted, including a database accessible to the public where community members can research the MAR for a particular rental unit. Build an indicator in the system to notify staff of rent increases beyond MAR.

4. **The Rent Program to conduct a Landlord survey** in fiscal year 2024-25 to receive assessment and feedback from the rental community on the impact of eviction protections, rent stabilization, and associated Rent Program services.

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). Work with City of Richmond to neutralize disincentives associated with Cost Pool charges and incentivize collaboration through a Cooperation Agreement.

4. **Continue to develop and refine the Rent Program's database, transitioning from using the City's TRAKiT database, to a new database** 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 2024-25 BUDGET

The figure below contains the Fiscal Year 2024-25 budget based on feedback provided by the Rent Board at its June 17, 2024, 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 ACTUALS	FY 23-24 ADOPTED	FY 24-25 PROPOSED	Notes
	REVENUES								
340445	Fees/Admin Fees	2,189,703	2,681,689	2,764,961	2,332,429	2,553,651	3,004,698	3,299,011	(1)
361701	Int & Invest/Pooled-All Other & Gains	367	11,537	6,096	4,619	31,647	20,000	50,000	
364867	Revenue from Collections & Other & Grants	133	13,042	24,796	19,641	50,078	50,000	50,000	
	TOTAL REVENUES	**2,190,203**	**2,706,268**	**2,795,854**	**2,356,688**	**2,635,376**	**3,074,698**	**3,399,011**	
	EXPENSES								
400001	Salaries & Wages/Executive	530,092	639,594	649,356	676,463	764,496	846,234	984,703	(2)
400002	Salaries & Wages/Mgmts.-Local 21	294,152	263,080	183,838	147,008	307,266	367,225	467,164	(2)
400003	Salaries & Wages/Local 1021	128,866	150,317	168,422	152,925	208,948	337,653	360,875	(2)
400006	Salaries & Wages/PT-Temp	49,557	45,905	32,244	35,234	21,447	37,565	47,000	(2)
400031	Overtime/General	4,778	2,094	1,312	1,793	802	2,500	2,500	(2)
400048	Other Pay/Bilingual Pay	6,993	9,064	9,719	7,910	10,713	11,470	14,289	(2)
400049	Other Pay/Auto Allowance	4,200	4,200	4,200	4,200	4,200	4,200	4,200	(2)
400050	Other Pay/Medical-In Lieu of	2,700	1,500	-	-	-	-	-	
400053	Other Pay/Pension Credits	-	-	-	-	-	-	19,694	(2)
400079	Comp Absences/WC-Prof-Mgt-Tec	1,486	5,328	-	-	-	-	-	
400058/8	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**	**1,317,872**	**1,670,462**	**1,900,425**	
400103	P-Roll Ben/Medicare Tax-ER Shor	14,937	16,389	15,313	15,435	19,219	20,774	26,457	(3)
400105	P-Roll Ben/Health Insurance Be	146,557	136,575	128,611	168,100	238,838	271,329	326,838	(3)
400106	P-Roll Ben/Dental Insurance	16,652	17,021	17,534	13,509	16,624	18,031	19,418	(3)
400109	P-Roll Ben/Employee Assistance	430	473	422	244	217	234	252	(3)
400110	P-Roll Ben/Professional Dev-Mg	3,728	5,200	1,500	250	1,500	7,500	6,750	(3)
400111	P-Roll Ben/Vision	2,106	2,095	2,049	1,588	1,985	2,158	2,324	(3)
400112	P-Roll Ben/Life Insurance	5,557	4,006	3,433	3,336	3,884	3,931	4,047	(3)
400114	P-Roll Ben/Long Term Disability	9,408	10,100	9,259	6,952	6,472	11,996	13,025	(3)
400116	P-Roll Ben/Unemployment Ins	1,860	5,100	4,960	4,440	6,042	5,928	6,384	(3)
400117	P-Roll Ben/Personal/Prof Dev	750	1,493	1,500	1,140	2,250	2,250	3,750	(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	14,807	6,923	-	
400122	P-Roll Ben/Worker Comp-Prof	69,352	60,744	74,891	47,762	72,880	-	81,614	(15)
400127	P-Roll Ben/OPEB	39,338	43,623	42,145	40,276	34,620	32,127	-	
400130	P-Roll Ben/PARS Benefits	642	434	50	398	280	-	-	
400149	P-Roll Ben/Misc.	123,021	140,616	139,314	128,986	162,492	186,975	240,175	(3)
400151	P-Roll Ben/Misc. (UAL)	162,985	235,683	271,234	252,844	282,084	309,894	274,260	(3)
	Subtotal Fringe Benefits	**611,127**	**691,706**	**727,447**	**694,301**	**864,195**	**880,050**	**1,005,294**	
400201	Prof Svcs/Professional Svcs	32,112	38,241	10,957	10,460	12,649	140,900	90,700	(4)
400206	Prof Svcs/Legal Serv Cost	137,614	193,742	149,994	183,326	164,576	275,000	275,000	(5)
400220	Prof Svcs/Info Tech Services	2,375	-	2,142	2,205	-	2,400	2,500	(6)
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	-	-	3,250	800	-	
400261	Dues & Pub/Memberships & Dues	824	1,590	1,453	1,437	1,689	1,650	2,025	(7)
400263	Dues & Pub/Subscription	1,500	-	-	-	-	-	7,500	(8)
400271	Ad & Promo/Advertising & Promo Materials	1,559	2,106	1,702	3,928	649	800	3,000	(9)
400272	Ad & Promo/Community Events	1,563	1,722	-	-	-	-	-	
400280	Adm Exp/Program Supplies	5,292	1,600	3,432	1,126	4,374	5,808	6,881	(10)
	Subtotal Prof & Admin Services	**185,563**	**239,819**	**169,680**	**202,481**	**187,187**	**427,358**	**387,606**	
400231	Off Exp/Postage & Mailing	10,849	5,905	6,528	14,981	5,794	15,355	30,000	(11)
400232	Off Exp/Printing & Binding	12,071	3,295	3,428	735	2,377	15,425	30,000	(12)
400233	Off Exp/Copying & Duplicating	46	-	236	-	-	-	-	
400304	Rental Exp/Equipment Rental	8,721	4,532	2,488	2,554	3,255	9,000	9,000	(13)
400321	Misc. Exp/Misc. Contrib	3,000	-	1,500	1,500	-	2,000	-	
400322	Misc. Exp/Misc. Exp	3,061	2,262	-	173	627	5,000	-	
400338	Recognition & Awards	-	-	-	-	-	-	300	
400341	Off Supp/Office Supplies	8,721	6,024	1,891	6,457	6,316	5,000	8,000	(14)
400344	Off Supp/Computer Supplies	18	783	-	-	-	-	-	
	Subtotal Other Operating	**46,486**	**22,801**	**16,072**	**26,400**	**18,369**	**51,780**	**77,300**	
400121	Carry forward from FY 2022-23 - System	-	-	-	-	-	(100,000)	-	
400401	Utilities/Tel & Telegraph	254	414	551	498	-	500	500	
400538	Contract Svcs/Other Contract Svcs	-	-	103	150	112	-	-	
400552	Prov Fr Ins Loss/Ins Gen Liab	8,029	8,765	9,047	8,991	9,163	9,300	9,500	
400574	Cost Pool/(ISF)-Gen Liab	55,701	75,144	69,513	79,937	83,934	-	99,980	(15)
400586	Cost Pool/(CAP)-Admin Charges	51,454	51,454	51,454	52,481	52,481	-	52,481	(15)
400591	Cost Pool/(IND)Civic Ctr Alloc	52,420	47,026	50,289	50,286	48,217	60,248	56,315	(15)
391994	Oper Xfers In	-	-	-	-	-	-	(290,391)	(15)
400601	Noncap Asst/Comp Hardware<5K	-	6,526	-	-	-	5,000	-	
400604	Noncap Asst/Furniture<5K	13,328	-	-	-	-	-	-	
	TOTAL EXPENSES	**2,047,186**	**2,264,738**	**2,143,246**	**2,175,258**	**2,581,531**	**3,004,698**	**3,299,011**	
	NET BUDGET BALANCE	**143,017**	**441,530**	**652,608**	**181,431**	**53,846**	**70,000**	**100,000**	

Budget Notes

(1) Assumes a Fiscal Year 2024-25 Rental Housing Fee of $239 for Fully Covered units and $136 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.
(4) Includes $20,000 for temporary services, $10,000 for Executive Director Evaluation, $41,700 for verbal interpretation services, $19,000 for written translation.
(5) Includes $200,000 contract with the Eviction Defense Center to assist Tenants with Unlawful Detainer cases and $75,000 to contract legal services for Landlords/Tenants.
(6) $2,500 TRAKiT annual IT charge for City land management system.
(7) Anticipated cost of Bar Association dues for three attorneys ($675 per Attorney).
(8) $4,500 for a property information subscription and $3,000 for a legal research subscription.
(9) 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 outreach supplies.
(10) Budgeted amount includes the cost of email accounts for Rent Board Members, business cards, and videoconference/webinar accounts, supplies, and food at Rent Board Meetings.
(11) Budgeted amount reflects anticipated postage costs for Rental Housing Fee invoices, tenancy registration mailings, postcards, and the Guide to Rent Control.
(12) Budgeted amount reflects anticipated printing costs for Rental Housing Fee invoices, tenancy registration mailings, postcards, and the Guide to Rent Control.
(13) Lease of printer, copy, scan, fax machines including a cost-per-copy.
(14) Office supplies to administer and operate the Rent Program.
(15) Rent Program is collaborating with the City to execute an agreement for Cost Pool charges and transfer.

SALARIES AND WAGES	
400001 – 400006 **Permanent Employees**	**Proposed Allocation:** **$1,859,742**

The allocation reflects salary-related costs for all budgeted positions which includes the 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, 2024, at 4% and 5% per Bargaining Unit. The City will also increase the monthly pay rate by 4% and 5% on January 1, 2025 for each unit.

Position	Fiscal Year 2023-24 Salary	Fiscal Year 2024-25 Salary	Notes
Executive Director	$188,080	$204,303	5% Increase, Merit, and Longevity 2%
Hearing Examiner	$173,239	$200,986	5% Increase, Merit, and Longevity 2%
General Counsel	$181,901	$222,697	5% Increase, Merit, and Longevity 2%
Deputy Director	$163,547	$190,835	5% Increase & Merit
Staff Attorney	$139,467	$165,882	5% Increase & Merit
Subtotal Executive Staff	$846,234	$984,703	
Rent Program Services Analyst II	$88,874	$110,994	Step 3 and 4% Increase
Senior Administrative Analyst	$98,339	$120,050	Step 3 and 4% Increase
Rent Program Services Analyst I	$78,763	$111,500	Step 5 and 4% Increase
Senior Management Analyst	$101,248	$124,620	Step 2 – 4% Increase
Subtotal Local 21 Mid-Management Staff	$367,225	$467,164	
Administrative Assistant	$78,494	$93,249	Transitioned Admin. Aide - 4% Increase
Compliance Specialist	$72,603	$80,951	Step 5 and 4% Increase
Compliance Specialist	$77,405	$85,256	4% Increase
Office Assistant	$54,575	$58,635	
Vacant – Hire in Q2	$54,575	$42,784	Budget at Step 2
Subtotal SEIU 1021 Staff	$337,653	$360,875	
Administrative Student Interns	$37,565	$47,000	
Subtotal Part Time/Temp Staff	$37,565	$47,000	
TOTAL SALARIES	$1,588,677	$1,859,742	

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:** **$14,289**

The allocation accounts for the two percent (2%) salary premium granted to seven (7) 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)
- Compliance Specialist (1 FTE)
- Office Assistants (2 FTE)

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

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

SALARIES AND WAGES	
400053 **Other Pay / Pension Credits (Deferred Compensation)**	**Proposed Allocation:** **$19,694**

Beginning July 1, 2023, the City began 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 per the ratified MOU.

BENEFITS	
400103 - 400151 **Fringe Benefits**	**Proposed Allocation:** **$1,005,294**

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 ($326,838)
  - Dental Insurance ($19,418)
  - Employee Assistance Program ($252)
  - Vision Insurance ($2,324)
- Professional Development funds
  - 14 permanent employees are eligible for reimbursement of up to $750 for eligible expenses ($10,500)
- Medicare Taxes ($26,457)
- Life Insurance ($4,047)
- Long-Term Disability Insurance ($13,025)
- Unemployment Insurance ($6,384)
- Workers' Comp Insurance[1]
  - Clerical staff ($0)
  - Professional staff ($81,614)
- Other Post-Employment Benefits (OPEB) ($0)[2]
- Miscellaneous Benefits ($514,435)[3]

PROFESSIONAL AND ADMINISTRATIVE SERVICES

[1] The Rent Program received the Fringe Benefits from the Finance Department Budget Analyst based on the projected Total Salaries and Wages.
[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 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.

400201 Professional Services	Proposed Allocation: $90,700

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

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

- Written translation ($19,000)
- Scheduled verbal interpretation and on-demand services ($41,700)
- Evaluation 360 Degrees – Executive Director ($10,000)
- Temporary Services ($20,000)

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.

    - The Rent Program is finalizing a contract in the amount of $75,000 for legal services for Landlords and Tenants. This service will provide Landlords legal assistance, legal advice, and limited representation. This service will also be available to Tenants that reside in the City of Richmond.

PROFESSION SERVICES/INFO TECH SERVICES	
400220 Information Technology Services	Proposed Allocation: $2,500

$2,500 TRAKiT annual IT charge for City land management system.

DUES AND MEMBERSHIPS	
400261 Memberships & Dues	Proposed Allocation: $2,025

The allocation accounts for California BAR Association dues for three attorneys ($675 per attorney).

DUES AND SUBSCRIPTIONS	
400261 **Subscriptions**	**Proposed Allocation:** **$7,500**

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

ADVERTISING AND PROMOTION	
400271 **Advertising & Promotional Materials**	**Proposed Allocation:** **$3,000**

The allocation accounts for newspaper announcements as required as part of the budget adoption process ($200), advertising materials for increased outreach ($2,200), and monthly promotion on social media accounts ($600).

ADMINISTRATIVE EXPENSES	
400280 **Program Supplies and Expenses**	**Proposed Allocation:** **$6,881**

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

- Emails for Rent Board Members (total cost of $1,382)
- 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: $1,200
- Zoom Meetings Accounts - $4,199

OFFICE EXPENSES	
400231 **Postage and Mailing**	**Proposed Allocation:** **$30,000**

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 $0.68 per envelope for all projects, except for the Guide to Rent Control mailing, which assumes a postage rate of $1.12 per envelope:

- Rental Housing Fee invoices to Landlords
- Late Rental Housing Fee invoices to Landlords
- Letter Project to Landlords
- Mailing the Guide to Rent Control to Tenants and Landlords
- Postcards – Outreach Plan

OFFICE EXPENSES	
400232 **Printing and Binding**	**Proposed Allocation:** **$30,000**

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
- Rental Housing Fee invoices to Landlords
- Late Rental Housing Fee invoices to Landlords
- Printing Rent Validation Reports for Tenants and Landlords
- Printing the Guide to Rent Control for Tenants and Landlords
- Postcards – Outreach Plan

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. The Rent Program, in partnership with the Richmond Promise, Arts and Culture, and Department of Infrastructure, Maintenance, and Operations, entered a 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). The City is exploring a new lease and printing/copy structure.

RECOGNITION AND AWARDS	
400338 **Recognition & Awards**	**Proposed Allocation:** **$300**

The Board approved an amount not to exceed $300 for a perpetual plaque to recognize past Board members.

OFFICE SUPPLIES	
400341 **Office Supplies**	**Proposed Allocation:** **$8,000**

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

UTILITIES	
400401 **Telephone**	**Proposed Allocation:** **$500**

The allocation covers the cost of a 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. A phone plan established to text and call the rental community and not rely on staff personal number being disclosed for safety purposes.

SUPPLEMENTAL INSURANCE	
400552 **General Liability Insurance**	**Proposed Allocation:** **$9,500**

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 beyond City's insurance policy.

COST POOL	
400574, 400586, 400591, and 391994 **General Liability, Admin. Charges, Civic Center Rent, and Operation Transfer In**	**Proposed Allocation:** **$0 Net**

The allocation and transfer include General Liability, Administrative Charges, Workers' Compensation Insurance, and office space at City Hall for the Rent Program.

Rent Program leadership are engaged in on-going discussions with the City Attorney's, City Manager, and Finance Department regarding the budget for Cost Pool and Fringe Benefits. Rent Program staff have reached a tentative solution and understanding with the City; the Rent Program and City are negotiating to complete terms and execute a Cooperative Agreement between the City and Rent Board. For Fiscal Year 2024-25, the City has provided the below amounts to include in the Rent Program Budget:

- General Liability - $99,980.
- Workers' Compensation (Fringe Benefits - Prof) $81,614.
- 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 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 cost allocated in the budget is $52,481.

- **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 the Community Services Building. The cost allocated in the budget is $56,315.

- **Operation Transfer In** will be used to offset the Cost Pool charges as a Subsidy for the fiscal year 2023-24 and fiscal year 2024-25. The Rent Program will not be expending any funds to recover the Cost Pool charges, 100% of the transfer will be City funded. The transfer will be pending City Council approval. The Subsidy will not be required to be paid back as a loan with any interest bearing, it will be considered a transfer from the City to the Rent Program to offset those Cost Pool charges. The amount will be ($290,391) for the fiscal year 2024-25.

II. 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 FY 17-18: $2,425,338	$1,967,834	$2,753,351[6]	77%
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	$2,609,775	$2,143,246	$2,795,854	107%
2021-22	$2,938,314	$2,175,258	$2,356,688	80%
2022-23	$3,106,687	$2,581,531	$2,635,376	85%
2023-24	$3,074,398	$2,741,960	$2,966,265	93% (PROJECTED)

[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.

Source: Richmond Rent Program, 2024 (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.

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 2024-25 fiscal year is expected to be above 93 percent.

IV. FISCAL YEAR 2024-25 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, fringe benefits, and overtime;
- Risk management and supplemental liability insurance plan (SLIP);
- Charges allocated from City Departments for administrative services by central service departments, indirect costs (i.e., City Council, City Manager, City Attorney, City Clerk, Finance, Human Resources, etc.) The Rent Program Staff is collaborating with the City to execute an agreement for Cost Pool charges;
- Information Technology (IT) costs 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 translation, interpretations, 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 2024-25 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%)

- 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%)

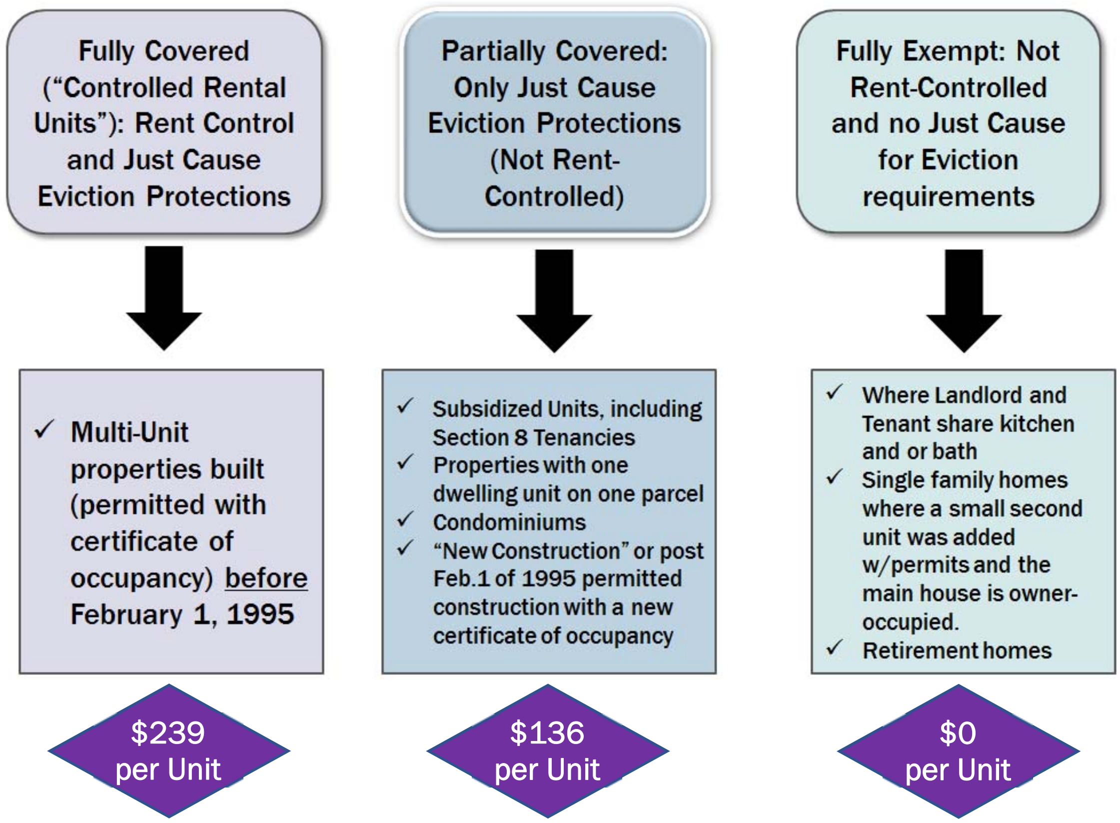
- Public education and outreach (includes counseling on evictions)
- Legal services referrals to community services agencies
- Administration of Relocation Ordinance
- Administration of eviction-related complaints
- Evictions intervention mediations (payment plan agreements and mediations to avoid breach of lease/nuisance etc.)
- Processing of termination of tenancy notices and associated outreach

Rent Control Layer (25%)

- 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 1,855 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 2024. In total, records indicate that the Rent Program is aware of 18,342 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, 2022 – 2024

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

STATUS	2022 TOTAL	2023 TOTAL	2024 TOTAL	CHANGE BETWEEN 2023 AND 2024
SUSPECTED FULLY COVERED RENTAL UNITS	33	32	36	+4
FULLY COVERED RENTAL UNITS	7,632	7,717	7,821	+104
SUBTOTAL – FULLY COVERED UNITS	7,665	7,749	7,857	+108
SUSPECTED PARTIALLY COVERED RENTAL UNITS (EXCLUDING GOV SUBSIDIZED RENTAL UNITS)	124	116	106	-10
PARTIALLY COVERED RENTAL UNITS (EXCLUDING GOV SUBSIDIZED RENTAL UNITS)	5,863	5,782	5,940	+158
SUBTOTAL – PARTIALLY COVERED UNITS (EXCLUDING GOV SUBSIDIZED RENTAL UNITS)	5,987	5,898	6,046	+148
SUBTOTAL - GOVERNMENTALLY SUBSIDIZED RENTAL UNITS	4,498	4,487	4,439	-48
TOTAL APPLICABLE UNITS	18,150	18,134	18,342	+208
OWNER OCCUPIED	5,759	5,827	6,017	+190
RENT FREE	250	244	242	-2
NOT AVAILABLE FOR RENT	265	243	224	-19
NOT APPLICABLE	533	530	835	+305
TOTAL NON-APPLICABLE OR CONDITIONALLY EXEMPT UNITS	6,807	6,844	7,318	+474

Proposed Rental Housing Fees Associated with Proposed FY 2024-25 Budget

Table 4 below presents the fees corresponding to the proposed Fiscal Year 2024-25 budget.

Table 4. Fiscal Year 2024-25 Proposed Budget and Rental Housing Fees

UNIT COUNTS		PROPOSED FY 2024-25	CHANGE FROM FY 2023 TO 2024
TOTAL BUDGET[8]		$3,299,011	$294,313 9.8%
FULLY COVERED UNITS[9]	7,857	$239	$19 8.6%
PARTIALLY COVERED UNITS *(INCLUDING SUBSIDIZED UNITS)*[10]	10,485	$136	$11 8.5%
TOTAL REVENUE[11]		$3,399,011	$324,313 10.5%

Comparison to Previously Adopted Rental Housing Fee and Peer Jurisdictions

On June 27, 2023, the Richmond City Council adopted approving the Fiscal Year 2023-24 Residential Rental Housing Fee in the City's master fee schedule of $220 per Controlled Rental Unit and $125 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 2024-25 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/$50 (Gov. Subsidized)[12]
2019-20	$212	$112
2020-21	$219	$124
2021-22	$218	$123
2022-23	$226	$127
2023-24	$220	$125
2024-25 (Proposed)	$239	$136

[8] Total expenditures include a budgeted reserve equal to 18 percent of proposed expenses in prior years
[9] Includes suspected Fully Covered Rental Units
[10] Includes suspected Partially Covered Rental Units
[11] Fees rounded to the nearest full dollar; includes revenue from collections agency and interest
[12] 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.

The below table compiled by the Rent Program staff compares the proposed Rental Housing Fee to that of other jurisdictions within California. This table calculates the per unit cost of administration of actively enforced and complaint-driven programs. Richmond's proposed fees are comparable to the actively enforced peer jurisdictions with average rental rates lower than most.

JURISDICTION	2024-25 PROGRAM BUDGET	APPLICABLE RENTAL UNITS	RENTAL HOUSING FEES (PER UNIT)	AVERAGE RENT[13]	PORTION OF FEE PASSED THROUGH TO TENANTS
ACTIVELY ENFORCED RENT PROGRAMS					
BERKELEY	$7,506,460	19,600 Fully Covered; 5,000 Partially-Covered	**$344** for Fully Covered; **$212** per Partially-Covered; **$53** for Non-profit Affordable	$3,300	50%, City may reimburse low-income Tenants[14] $13 a month at maximum for 12 consecutive months
EAST PALO ALTO	$800,528	8,212	**$234**	$2,844	None (2016 MAR increased by $9.75 for 50% registration passthroughs rescinded)
OAKLAND	$11,124,347	100,787	**$101**	$2,553	50%
RICHMOND	$3,299,011 (proposed for FY 2024-25)	7,857 Fully-Covered; 10,485 Partially-Covered Units	**$239** per Fully Covered; **$136** per Partially Covered	$2,814	None
SANTA MONICA	$6,138,003	27,484	**$228**	$4,017	50%
COMPLAINT-DRIVEN RENT PROGRAMS					
LOS ANGELES	$11,221,649	650,832	**$38.75** per Unit	$2,700	50%
WEST HOLLYWOOD	$3,734,698	16,000 Rent-controlled; total **18,000 units**	**$145**[15]	$3,439	50% (excludes Section 8 Tenants)
ALAMEDA	$1,985,543	13,500 Fully-covered; total **16,579 units**	**$162** per Fully-covered; $109 per Partially-covered	$2,713	50%
SAN FRANCISCO	$14,740,863	291,000	**$59** per apartment; **$29.50** per residential hotel room	$2,825	50%

[13] 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, 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.

[14] Pass-through only applies to tenancies that began prior to January 1, 1999.

[15] West Hollywood's Rent Program receives support from the City's General Fund, and the $145 fee allows the program to recover 65% of total costs. The program would need to collect $239 per unit to recover 100% of costs.

Conclusion and Recommended Actions

The 2024-25 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 2024-25 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 2024-25 Budget to provide the support necessary for continued development of all Rent Program operations.

- Receive and approve the Fiscal Year 2024-25 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 2024-25 of $239 for Fully Covered Rental Units and $136 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 2024-25 Budget and Fee Study Calculations

Appendix B: 10-Year Projection