



# AGENDA REPORT

## RENT PROGRAM

**DATE:** April 26, 2017

**TO:** Chair Gray and Members of the Rent Board

**FROM:** Bill Lindsay, City Manager

**SUBJECT:** AMENDED FISCAL YEAR 2016-17 AND DRAFT FISCAL YEAR 2017-18 RENT PROGRAM BUDGETS

### STATEMENT OF THE ISSUE:

Section 11.100.060(n) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (RMC 11.100) requires that the Rent Board Executive Director submit to the Rent Board a proposed budget at least 35 days prior to the beginning of each fiscal year. Since the Executive Director has not yet been retained, the City Manager, acting in his capacity as Interim Rent Program Administrator, has prepared Fiscal Year (FY) 2016-17 and FY 2017-18 Rent Program budgets for the Rent Board's consideration.

### RECOMMENDED ACTION:

RECEIVE amended Fiscal Year 2016-17 and draft Fiscal Year 2017-18 Rent Program Budgets.

### FISCAL IMPACT:

The estimated cost of implementing the Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance is approximately \$1.1 million for FY 2016-17 and approximately \$2.1 million for FY 2017-18. The Residential Rental Housing Fee is the Rent Board's sole source of revenue for the foreseeable future. In December 2016, the City Council authorized the City Manager to enter into a formal agreement requiring the Board to repay any funds advanced by the City to assist with Rent Program launch and administration.

### DISCUSSION:

#### Background

Section 11.100.060 of Measure L provides for the establishment of a Richmond Rent Board comprised of five Board Members appointed by the City Council. The Rent Board is provided a number of powers and duties, including but not limited to holding regularly scheduled meetings, issuing orders, rules, and regulations, conducting hearings, charging fees, making studies, reporting to the City Council on the status of rental housing, maintaining a searchable database of notices served to applicable rental units, and filing copies of relevant notices (refer to Section 11.100.060(e)(1-15). Implementation and administration of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance will therefore require that the City enter into multiple contracts for professional services, hire staff, and budget for outreach, meeting, and operational expenses. Each of these components is described in greater detail below.

#### Budget Components

The amended FY 2016-17 and draft FY 2017-18 Rent Program Budgets are designed to support the implementation and administration of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance for the remainder of FY 2016-17 and through the end of FY 2017-18 (ending on June 30, 2018.) The budgets include cost projections for each fiscal year for the following essential elements:

#### **1. Staffing and Personnel**

The budgets include a staffing plan that may be adjusted based on the needs of the program. The amended FY 2016-17 Rent Program Budget anticipates that an Executive Director will be retained and supported by a proposed staffing plan that includes a Senior Management Analyst, two Management Analyst I/II, Administrative Trainee, and two part-time Administrative Student Interns.

Based on the experience of Rent Program staff members thus far, it is reasonable to expect significant demand on an ongoing basis for customer service and assistance provided to Tenants, Landlords, property managers, attorneys, realtors, and other community members. Considering the volume of inquiries that have been received by the Rent Program, City staff members believe that the proposed staffing levels budgeted for FY 2017-18 are necessary (Attachment 1). These staffing levels are the same as those budgeted for FY 2016-17, with the addition of one Administrative Aide.

### 2. Professional Service Contracts

The Rent Program is likely to require contracts with multiple professional service providers. The amended FY 2016-17 and draft FY 2017-18 Rent Program Budgets include contract cost projections for the following services:

- *Management Partners (professional services and technical assistance)* – to assist with startup program design, processes, and administration; services are likely to conclude by the end of FY 2017-18;
- *Relocation Assistance* – to provide counseling support and services to Tenants, as may be determined by policy of the Rent Board;
- *Mediation Services* – to provide a mediation option for Landlords and Tenants to potentially reduce demands for formal hearings, as may be determined by policy of the Rent Board;
- *Third Party Hearing Officers* – to ensure that hearings are administered in accordance with adopted Rent Board rules and procedures;
- *Systems Administration and IT* – to support the IT requirements of the program, including the creation of a searchable database of all notices filed with the Board;
- *Outside Legal Counsel (Measure L Litigation)* – to respond to current litigation pertaining to the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance;
- *Rent Program Legal Counsel* – to assist with training, daily operations, reviewing regulations, assisting with compliance and enforcement of the Ordinance, Excess Rent Complaints, Rent Adjustment Petitions, and the hearing process;
- *Legal Aid* – to provide support to Tenants that have paid the Maximum Allowable Rent, are being evicted (Unlawful Detainer), and are able to provide evidence that their Landlord is not in compliance with the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance; and
- *Translation Services* – to ensure that all forms and notices are available in both English and Spanish, at a minimum, and for oral translation, as it may be advantageous for administration.

### **3. Outreach, Operations, and Maintenance**

The amended FY 2016-17 and draft FY 2017-18 Rent Program Budgets also include cost estimates for departmental operations, such as printing and postage, IT systems software to support the Rent Program and generate the searchable database of notices filed with the Board, document copying and duplicating, photocopy rental, office supplies, mileage, staff trainings, as well as attendance at conferences, and miscellaneous expenses associated with program development and administration. In addition, the budgets include costs allocated to expenses related to Community Education as required per the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, and as requested by the City Council on December 20, 2016.

### **4. Cost Pool**

The Cost Pool covers budget items such as the physical space utilized at City Hall, general liability, and indirect service costs including finance, accounting, payroll, IT support, and telecommunications.

### **5. Supplemental Liability Insurance Policy (SLIP)**

A Supplemental Liability Insurance Policy (“SLIP Policy”) is recommended to provide additional insurance to the Rent Program.

### **6. Reserves**

The amended FY 2016-17 and draft 2017-18 Rent Program Budgets include a 17 percent Operating Reserve, as recommended by the Government Finance Officers Association, and an eight percent Risk Reserve.

## **DOCUMENTS ATTACHED:**

Attachment 1 – Rent Program Progress Summary

Attachment 2 – Amended FY 2016-17 and draft FY 2017-18 Rent Program Budgets

Attachment 3 – Approval of the Fiscal Year 2016-17 Rent Board Interim Budget  
December 20, 2016

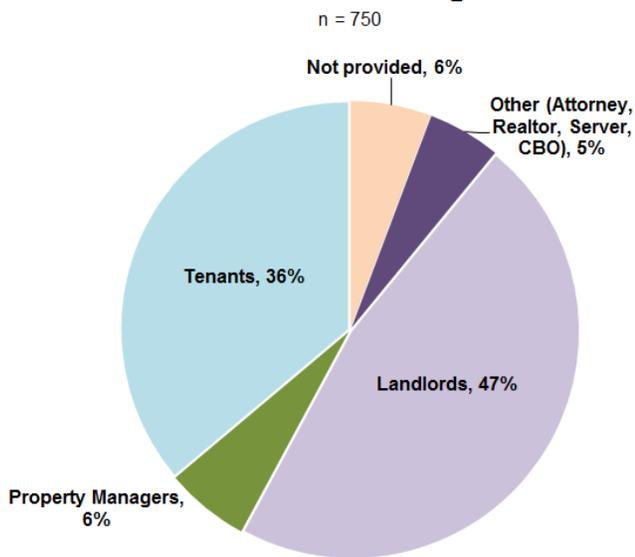
Attachment 4 – Santa Monica Rent Control Board 2016/17 Annual Operating Budget

City of Richmond Rent Program  
Progress Summary

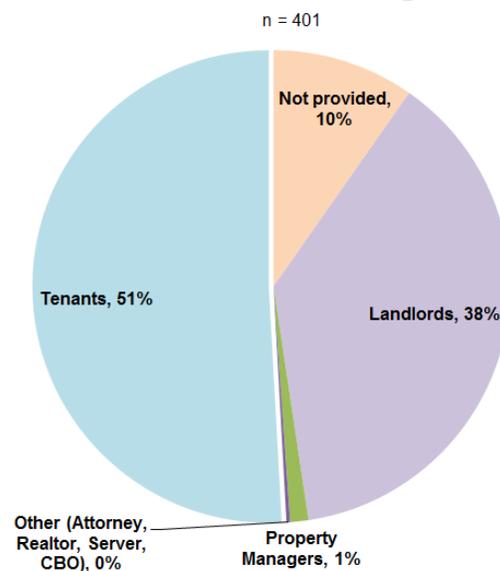
**INQUIRIES**

- To date, the Rent Program has received **1,759 total inquiries**.<sup>1</sup> This includes:
  - 750 phone calls
  - 401 walk-ins
  - 316 emails
  - 292 voicemails
- **2.8 percent** (49) of these inquiries are currently unresolved.

**Who Calls the Rent Program?**



**Who Visits the Rent Program?**



**FORMS**

- To date, the Rent Program has received **1,837 total forms**.<sup>2</sup> This includes:
  - 596 Enrollment Forms
  - 564 Proof of Service Forms
  - 429 Annual General Adjustment (AGA) Rent Increase Forms
  - 189 Termination of Tenancy Forms
  - 26 Petitions for Maximum Allowable Rent Increase or Decrease (24 from landlords, 2 from tenants)
  - 22 Agent Authorization Forms
  - 11 Excess Rent Complaint Forms

**COMPUTER LAB ASSISTANCE**

- To date, the Rent Program has scheduled over **30 online support sessions** with Tenants and Landlords to complete online forms for a total of over **1,240 minutes (20.6 hours) of individual, one-on-one support**.

<sup>1</sup>As of March 17, 2017

<sup>2</sup>As of March 20, 2017

# ITEM F-2 ATTACHMENT 2

## AMENDED FISCAL YEAR 2016-17 and DRAFT 2017-18 RENT PROGRAM BUDGETS

							DRAFT FY 2017-18	AMENDED FY 2016-17			
							Costs		Comments		
<b>Personnel - Salary &amp; Benefits</b>											
	Salary (Step 3)/ Month	Annual Salary	Benefits (at 55% of Salary)	Annual Salary & Benefits	TOTAL (1 employee)	# emps					
<b>Possible Positions, Titles, &amp; Expenses</b>							12	0.55	<b>Salary Assumptions (Started at Step III in FY 16-17; Step IV in FY 17-18)</b>		
Executive Director	\$ 11,004	\$ 132,048	\$ 72,626	\$ 204,674	\$ 204,674	1	\$ 204,674	\$ 64,976	\$8,087 - \$12,873 (4 month estimate FY 16-17)		
Senior Management Analyst	\$ 7,868	\$ 94,416	\$ 51,929	\$ 146,345	\$ 146,345	1	\$ 146,345	\$ 81,332	\$7,158 \$7,496 \$7,868 \$8,247 \$8,657		
Management Analyst I-II	\$ 6,977	\$ 83,724	\$ 46,048	\$ 129,772	\$ 129,772	1	\$ 129,772	\$ 72,413	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684		
Management Analyst I-II	\$ 6,977	\$ 83,724	\$ 46,048	\$ 129,772	\$ 129,772	1	\$ 129,772	\$ 72,413	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684		
Admin Aide	\$ 3,983	\$ 47,796	\$ 26,288	\$ 74,084	\$ 74,084	1	\$ 74,084		\$4,910 \$5,115 \$5,360 \$5,602 \$5,873		
Admin Trainee	\$ 3,829	\$ 45,948	\$ 25,271	\$ 71,219	\$ 71,219	1	\$ 71,219	\$ 39,982	\$3,685 \$3,829 \$3,983 \$4,151 \$4,325		
Admin Intern (P/T - 15 hrs./wk.)	\$ 1,292	\$ 15,506				1	\$ 15,506	\$ 8,295	15.54 17.20 18.81 20.51 22.07		
Admin Intern (P/T - 15 hrs./wk.)	\$ 1,292	\$ 15,506				1	\$ 15,506	\$ 8,295	15.54 17.20 18.81 20.51 22.07		
Overtime/Comp Time							\$ 12,000	\$ 10,000			
<b>TOTAL PERSONNEL EXPENSES</b>						<b>8</b>	<b>\$ 798,878</b>	<b>\$ 357,706</b>			
<b>Professional and Admin Services</b>											
<b>Professional Service Contracts:</b>											
Management Partners							\$ 20,000	\$ 128,500	Professional services and technical assistance to assist with startup program design, processes, and administration. Services are likely to conclude by the end of FY 2017-18.		
Relocation Assistance							\$ 10,000	\$ 10,000	Relocation assistance to provide counseling support and services to Tenants, as may be determined by policy of the Rent Board.		
Mediation Services							\$ 60,000	\$ 15,000	Mediation services to provide a mediation option for Landlords and Tenants to potentially reduce demands for formal hearings, as may be determined by policy of the Rent Board; Assumes 8 cases per month, \$100/hr., 6 hours maximum.		
Hearing Officer Services							\$ 80,000	\$ 20,000	Hearing Officer services to ensure that hearings are administered in accordance with adopted Rent Board rules and procedures. Assumes 2 hours per case @ \$220/hour.		
Outside Legal Counsel (Litigation)							\$ 50,000	\$ 50,000	Outside legal counsel to respond to current litigation pertaining to the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance.		

		DRAFT FY 2017-18	AMENDED FY 2016-17	
		Costs		Comments
Rent Program Legal Counsel		\$ 160,000	\$ 40,000	Legal Counsel to assist with training, daily operations, reviewing regulations, assisting with compliance and enforcement of the Ordinance, Excess Rent Complaints, Rent Adjustment Petitions, and the hearing process. Assumes approximately 12 hours per week (3 months for FY 16/17) @ \$250/hour.
Legal Aid		\$ 80,000	\$ 20,000	Legal Aid to provide support to Tenants that have paid the Maximum Allowable Rent, are being evicted (Unlawful Detainer), and are able to provide evidence that their Landlord is not in compliance with the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance. Assumes 12 hours per week (3 months for FY 16/17) @ \$125/hour.
Translation Services		\$ 30,000	\$ 10,000	Translation services to ensure that all forms and notices are available in both English and Spanish, at a minimum, and for oral translation, as it may be advantageous for administration. Assumes 9,000 words per month @ \$0.14/word and 25 hours of verbal translation @ \$50.00/hour.
<b>Community Education</b>		\$ 20,000	\$ 5,000	LEAP Digital Rent Program Literacy Proposal and other outreach activities.
<b>Mileage</b>		\$ 1,000		Use of City pool car (FY 2017-18.)
<b>Training / Conferences</b>		\$ 15,000		Legal and professional trainings (e.g. dispute resolution, handling of sensitive information) for staff, attendance at conferences (FY 2017-18.)
<b>Cell Phone</b>		\$ 1,200		Assumed for (FY 2017-18.)
<b>Books</b>		\$ 200		Educational and reference materials (FY 2017-18.)
<b>Ad &amp; Promotional materials</b>		\$ 2,000		Posting of community events and other information in publications (FY 2017-18.)
<b>Sub-Total Professional &amp; Admin</b>		\$ 529,400	\$ 298,500	
<b>IT Expenses:</b>				
Startup Costs Year 1 and 2		\$ 29,500	\$ 21,099	Estimated startup costs.
Annual IT Costs (Including replacement funding)		\$ 16,343	\$ 12,452	General PC software and costs.
IT Support		\$ -	\$ 19,000	Additional IT staff support.
<b>Sub-Total IT Expenses</b>		\$ 45,843	\$ 52,551	
<b>Other Operating Expenses</b>				

							DRAFT FY 2017-18	AMENDED FY 2016-17	
							Costs		Comments
Postage & Mailing						\$ 75,000	\$ 50,000	Costs of mailing include production, printing, proofing, and postage (assumes ~\$25,000 per mailing.)	
Copying & Duplicating						\$ 50,000	\$ 10,000	Bulk printing of materials for public outreach and information.	
Copy Machine Rental						\$ 5,000	\$ 3,500	Cost of rental and maintenance of Xerox machines in 440 Civic Center Plaza.	
Miscellaneous Expenses						\$ 10,000		Miscellaneous expenses associated with program development and operations (FY 2017-18.)	
Office Supplies and Furniture						\$ 6,000	\$ 1,000	Cost of general office supplies, timestamp, and office furniture (e.g. desk chairs.)	
<b>Sub-Total Other Operating</b>						<b>\$ 146,000</b>	<b>\$ 64,500</b>		
<b>Cost Pool and Risk Management:</b>									
General Liability and Worker's Comp (6 FTEs)						\$ 49,864	\$ 43,631	FY 17/18 Workers Compensation - \$2,748 per employee, General Liability - \$3,485 per employee (combined total \$6,233 per employee.)	
Space at 440 Civic Center Plaza						\$ 52,275	\$ 30,179	Space at 440 CCP is based on the percentage of total square footage occupied. This percentage is then applied to the total annual debt service. Rent Program is presumed to occupy 0.9% of Civic Center's total square footage. The percentage was applied to the total annual debt service for FY 2016-17 to determine the cost.	
Indirect Cost						\$ 51,454	\$ 31,810	Indirect Costs are 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.) Allocations are determined in the City's cost allocation plan completed by an external consultant. Since the Rent Program dept. is new, it was not included in the current cost allocation plan. Staff recommended using the allocation of a department similar in size. In this case, the City Manager's Office was used as the basis.	
Supplemental Liability Insurance Policy (SLIP)						\$ 25,000		General liability policy for the Rent Control program (FY 2017-18.)	
<b>Sub-Total Cost Pool + Risk Management</b>						<b>\$ 178,593</b>	<b>\$ 105,620</b>		
<b>TOTAL OPERATING EXPENSES</b>						<b>\$ 899,836</b>	<b>\$ 521,171</b>		

							DRAFT FY 2017-18	AMENDED FY 2016-17	
							Costs		Comments
<b>Reserves:</b>									
Operating Reserve (17%)						\$ 288,781	\$ 149,409	As recommended by the Government Finance Officers Association (GFOA.)	
Risk Reserve (8%)						\$ 135,897	\$ 70,310	Risk Management reserve fund.	
<b>Sub-Total Reserves</b>						<b>\$ 424,678</b>	<b>\$ 219,719</b>		
<b>GRAND TOTAL</b>						<b>\$ 2,123,392</b>	<b>\$ 1,098,596</b>		

**AGENDA ITEM REQUEST FORM**

**ITEM F-2  
ATTACHMENT 3**

**Department:** City Manager's Office

**Department Head:** Bill Lindsay

**Phone:** 620-6512

**Meeting Date:** 12/20/2016

**Final Decision Date Deadline:** 12/20/16

**STATEMENT OF THE ISSUE:** Section 11.100.060(m) of the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance ("Measure L") provides that, during the transition period before the Rent Board members are appointed and an Executive Director is hired, the City shall take whatever steps necessary to perform the duties of the Board and implement the purpose of the Ordinance. Accordingly, the preparation of an interim budget is necessary to account for the staffing, professional services contracts, and operating expenses required for startup and implementation. Staff is also recommending that the City Council authorize the City Manager to enter into a reimbursement agreement with the Rent Board so that any costs advanced by the City to the Rent Board may be recovered.

**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
- Rules and Procedures Standing Committee
- Local Reuse Authority
- Other \_\_\_\_\_

**ITEM \_\_\_\_\_**

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

**RECOMMENDED ACTION:** ADOPT a resolution approving the fiscal year 2016-17 Rent Board interim budget, and authorize the City Manager to enter into a reimbursement agreement with the Rent Board for any funds advanced by the City – City Manager's Office (Bill Lindsay 620-6512).

**REVIEWS/APPROVALS DO NOT WRITE IN THIS SPACE**

This item has been reviewed and approved by the **FINANCE DIRECTOR, CITY ATTORNEY, and CITY MANAGER.**

**AGENDA ITEM NO:  
L-1.**



# AGENDA REPORT

## CITY MANAGER'S OFFICE

**DATE:** December 20, 2016

**TO:** Mayor Butt and Members of the City Council

**FROM:** Bill Lindsay, City Manager

**SUBJECT:** APPROVAL OF THE FISCAL YEAR 2016-17 RENT BOARD INTERIM BUDGET

### STATEMENT OF THE ISSUE:

Section 11.100.060(m) of the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance ("Measure L") provides that, during the transition period before the Rent Board members are appointed and an Executive Director is hired, the City shall take whatever steps necessary to perform the duties of the Board and implement the purpose of the Ordinance. Accordingly, the preparation of an interim budget is necessary to account for the staffing, professional services contracts, and operating expenses required for startup and implementation. Staff is also recommending that the City Council authorize the City Manager to enter into a reimbursement agreement with the Rent Board so that any costs advanced by the City to the Rent Board may be recovered.

### RECOMMENDED ACTION:

ADOPT a resolution approving the fiscal year 2016-17 Rent Board interim budget, and authorize the City Manager to enter into a reimbursement agreement with the Rent Board for any funds advanced by the City – City Manager's Office (Bill Lindsay 620-6512).

### FISCAL IMPACT:

Pursuant to Section 11.100.060(l)(1), all Landlords shall pay a business license fee if required by the Richmond Municipal Code in addition to a Residential Rental Housing Fee, which shall fund the budget. The Residential Rental Housing Fee and business license fee shall be charged and collected concurrently by City staff and the Rent

Board.<sup>1</sup> Staff intends that the initial billing of the Residential Rental Housing Fee be within the first sixty days of calendar year 2017, which resulting cash flow will necessitate an advance of funds by the City to the Rent Board.

Because the Residential Rental Housing Fee shall be the Rent Board's sole source of revenue for the foreseeable future, it is important to underscore the fact that the financial stability of the Board will depend on both the accuracy of the budget and fee payment compliance rates. If fee payment compliance rates are less than 100%, the Rent Board will operate at a deficit. Finance Department staff estimate that the current business license fee compliance rate is approximately 80 percent. If the City is only able to recover 80 percent of Rent Board implementation costs, the City's General Fund may need to temporarily advance funds to the Board for its operations. Based on the current budget, a 20 percent advance may amount to approximately \$198,000 for this seven-month period. Furthermore, City staff expect that compliance will be lower, not higher, with initial startup of the program.

As a result of cash flow requirements during program start-up, and because of uncertainty in revenue collection, staff recommends that the City Council authorize the City Manager to enter into a formal reimbursement agreement requiring the Board to repay any funds advanced by the City.

## **DISCUSSION:**

### Background

Section 11.100.060 of Measure L provides for the establishment of a Richmond Rent Board comprised of five Board Members appointed by the City Council. The Rent Board is provided a number of powers and duties, including but not limited to holding regularly scheduled meetings, issuing orders, rules, and regulations, conducting hearings, charging fees, making studies, reporting to the City Council on the status of rental housing, maintaining a searchable database of notices served to applicable rental units, and filing copies of relevant notices (refer to Section 11.100.060(e)(1-15)). Implementation and administration of Measure L will therefore require that the City enter into multiple contracts for professional services, hire staff, and budget for outreach, meeting, and operational expenses. Each of these components is described in greater detail below.

This seven-month Rent Board Interim Budget provides a conservative estimate, based on research conducted by staff recently (and previously in 2015) of the expenses the City can expect to incur during the implementation and administration of the processes established in Measure L. The Interim Budget may form the basis for the levy of an Interim Residential Rental Housing Fee to allow the City to recover such costs, and shall be modified according to the volume and demand for services and labor experienced in the early phases of program administration.

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<sup>1</sup> Note that business license fees are billed on a calendar year schedule, unlike budgets, which are prepared and adopted on a fiscal year schedule.

## Budget Components

The Rent Board Interim Budget is designed to support the implementation and administration of Mesasure L for the remainder of Fiscal Year 2016-17 (ending on June 30, 2017). The Interim Budget includes the following essential elements:

### **1. Staffing and Personnel**

The budget includes a basic short-term staffing plan that will be adjusted based on the needs of the program. The Interim Budget anticipates that an Executive Director will be hired by March 1, and will be supported by a proposed staffing plan that includes a Senior Management Analyst, Management Analyst II, Administrative Trainee, and Administrative Intern.

### **2. Professional Service Contracts**

The Rent Board's lean staff support is likely to necessitate contracts with multiple professional service providers. The Interim Budget includes cost estimates for the following functions:

- *Management Partners (consultants)* – to assist with program design, processes, and administration;
- *Systems Administration and IT* – to support the IT requirements of the program, including the creation of a searchable database of all notices filed with the Board;
- *Legal Aid* – to provide support to individuals who are not able to secure legal representation due to limited financial means or other barriers;
- *Translation Services* – to ensure that all forms and notices are available in both English and Spanish, at a minimum;
- *Mediation Services* – to provide a mediation option for Landlords and tenants to settle rent disputes and potentially reduce demands for formal hearings;
- *Third Party Hearing Officers* – to ensure that hearings are administered equitably and in accordance with adopted Rent Board rules and procedures;
- *Relocation Assistance* – to provide counseling support and services to tenants who must relocation following involuntary termination of tenancy (as prescribed in the Relocation Ordinance); and
- *Outside Legal Counsel* – as necessary.

### **3. Outreach, Operations, and Maintenance**

The Interim Budget also includes the costs of departmental operations, including postage and mailing costs (for four mailings to Landlords, tenants, and the community at large), IT systems software to create the searchable database of notices filed with the Board, document copying and duplicating, Xerox rental, office

supplies, mileage, staff trainings and attendance at conferences, and other miscellaneous expenses.

#### **4. Cost Pool**

The cost pool covers budget items such as the physical space utilized at City Hall, general liability, and indirect service costs.

#### **Residential Rental Housing Fee**

City staff members anticipate that the refinement of the Interim Budget will inform the development of an Interim Residential Rental Housing Fee charged to Landlords of applicable units. While City staff members have researched staffing in other cities with recently adopted Rent Control and Just Cause for Eviction Ordinances, such as Santa Monica and Berkeley, the difference in Richmond's demographics yields a currently unknown demand for services. Based on the volume of calls the City has received since the passage of Measure L in early November, City staff members anticipate that there may be significant demand for such services.<sup>2</sup>

The magnitude of the Residential Rental Housing Fee shall ultimately be a function of the following factors:

- The number of applicable units (City staff have preliminary estimates at this time);
- The demand for contractual services; and
- The amount of staff labor required to provide customer service.

#### **Next Steps**

City staff members recommend that the City Council adopt a resolution approving the Interim Budget with the understanding that it shall continue to be modified as demands for the program are better understood. In January 2017, City staff members shall return to the City Council with an amended budget and proposed Interim Fee, which may be charged to property owners as a special billing (the majority of Business License Fees are billed in October.)

Once the Executive Director is hired, City staff members recommend that they work with Management Partners, the consulting firm with which the City has contracted to provide management support services, to conduct a comprehensive fee study following direction from the newly appointed Rent Board. It is expected that this fee study may

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<sup>2</sup> Between the City Manager's Office, City Council Office, and Housing and Community Development, the City has received approximately 45 inquiries per week regarding the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (Measure L) since early November. Many inquiries have been from individuals for which English is not the language spoken at home. The 2011-2015 American Community Survey estimates that 49.6 percent of Richmond residents who speak a language other than English speak English less than "very well," and that 35 percent speak Spanish (Table S1601).

inform the Fiscal Year 2017-18 Rent Board Budget and associated Residential Rental Housing Fee adopted by the City Council.

Because of the possibility that the City will advance funds to the Rent Board, especially during the start-up phase of the work, the City Manager will also execute a reimbursement agreement with the Rent Board so that any costs advanced by the City to the Rent Board may be recovered.

**DOCUMENTS ATTACHED:**

Attachment 1 – Resolution Approving the 2016-17 Rent Board Interim Budget

Attachment 2 – Fiscal Year 2016 Rent Board Interim Budget

**RESOLUTION NO. 113-16**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND  
APPROVING THE 2016-17 RENT BOARD INTERIM BUDGET AND AUTHORIZE  
THE CITY MANAGER TO ENTER INTO A REIMBURSEMENT AGREEMENT WITH  
THE RENT BOARD FOR ANY FUNDS ADVANCED BY THE CITY AND AUTHORIZE  
THE CITY MANAGER TO ENTER INTO SOLE SOURCE CONTRACTS**

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**WHEREAS**, the “Richmond Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance” initiative was passed by the voters in the City of Richmond on November 8, 2016; and

**WHEREAS**, in accordance with Section 11.100.060(m) of the Ordinance, during the transition period before Rent Board Members are appointed and an Executive Director is hired, the City shall take whatever steps necessary to perform the duties of the Board and implement the purpose of Chapter 11.100; and

**WHEREAS**, the preparation of an interim budget is necessary to account for the staffing, professional services contracts, and operating expenses required for program startup and implementation; and

**WHEREAS**, the City Council shall have additional opportunities to review said budget before an Interim Residential Rental Housing Fee is established to ensure that the budget and fee levied is equivalent to the City’s expenditures related to program implementation and administration.

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the City of Richmond that an Interim 2016-17 Rent Board Budget is hereby adopted, with the understanding that modifications may be made before the establishment of any associated fees.

\*\*\*\*\*

I certify that the foregoing resolution was passed and adopted by the Council of the City of Richmond at a regular meeting thereof held December 20, 2016, by the following vote:

AYES: Councilmembers Beckles, Martinez, McLaughlin, and Vice Mayor Myrick.  
NOES: Mayor Butt.  
ABSTENTIONS: Councilmember Pimplé.  
ABSENT: Councilmember Bates.

PAMELA CHRISTIAN  
CLERK OF THE CITY OF RICHMOND  
(SEAL)

Approved:

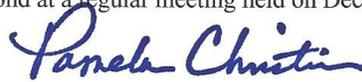
TOM BUTT  
Mayor

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 **Resolution No. 113-16**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on December 20, 2016.



Pamela Christian, Clerk of the City of Richmond

**DRAFT PROPOSED MEASURE L IMPLEMENTATION BUDGET**  
December 2016 - June 2017

**EXPENDITURES**

**PERSONNEL EXPENSES**

November 9, 2016 - June 2017	Monthly Salary	Annual Salary (Based on 7 months)	Benefits (at 55% of Salary)	Annual Salary & Benefits	# of employees	TOTAL COST	Salary Range
Possible Positions, Titles, & Expenses			7	0.55			
Executive Director (4 months)	\$ 12,338	\$ 49,352	\$ 27,144	\$ 76,496	1	\$ 76,495.60	\$12,338 - \$19,254
Management Analyst II	\$ 6,418	\$ 44,926	\$ 24,709	\$ 69,635	1	\$ 69,635.30	\$6,113 - 6418 - 6708 - 7034 - 7388
Senior Management Analyst	\$ 7,565	\$ 52,955	\$ 29,125	\$ 82,080	1	\$ 82,080.25	\$6,883 - \$7208 - \$7565 - \$7930 - \$8324
Admin Trainee	\$ 3,685	\$ 25,795	\$ 14,187	\$ 39,982	1	\$ 39,982.25	\$3,685 - \$3,829 - \$3,983 - \$4,151 - \$4,325
Admin Intern (P/T)	\$ 2,646	\$ 18,522	\$ -	\$ 18,522	1	\$ 18,522.00	\$20.51/hr*30 hrs/wk*4.2 wks/mo*7 mo
Admin Intern (P/T)	\$ 2,646	\$ 18,522	\$ -	\$ 18,522	1	\$ 18,522.00	\$20.51/hr*30 hrs/wk*4.2 wks/mo*7 mo
Overtime						\$ 3,700.00	10% overtime for 2 Admin. Interns
<b>TOTAL PERSONNEL EXPENSES</b>					6	\$ 308,937.40	

**OPERATING EXPENSES**

**CONTRACTS FOR PROFESSIONAL SERVICES**

Management Partners						\$ 230,000.00	
Systems Administration/Information Technology						\$ 30,000.00	
Legal Aid						\$ 25,000.00	
Translation Services						\$ 30,000.00	
Mediation Services						\$ 15,000.00	
Searchable Database						\$ 100,000.00	
Hearing Officer						\$ 25,000.00	
Relocation Assistance						\$ 10,000.00	
Legal Services						\$ 25,000.00	
<b>Sub-Total Contracts for Professional Services</b>						\$ 490,000.00	

**OTHER OPERATING EXPENSES**

Postage & Mailing						\$ 50,000.00	4-5 major mailings
Copying & Duplicating						\$ 10,000.00	
Office Supplies						\$ 7,000.00	
Training, Mileage, Conferences						\$ 3,500.00	
Rental Expenses (XEROX machine)						\$ 3,500.00	
Promotional						\$ 3,000.00	
Vehicle Maintenance						\$ 1,000.00	
<b>Sub-Total Other Operating</b>						\$ 11,000.00	

**INFORMATION TECHNOLOGY EXPENSES**

IT Electronic Equipment Purchases (Start-up Costs)						\$ 31,000.00	
Annual Fees						\$ 30,000.00	
City IT staff services (for system startup only)						\$ 29,000.00	
<b>Sub-Total Information Technology Expenses</b>						\$ 90,000.00	

**COST POOL**

General Liability (6 FTEs)						\$ 27,111.00	
Space at 440 Civic Center Plaza						\$ 30,179.00	
Indirect Cost						\$ 31,810.00	
<b>Sub-Total Cost Pools</b>						\$ 89,100.00	

<b>TOTAL OPERATING EXPENSES</b>						\$ 680,100.00	
<b>GRAND TOTAL</b>						\$ 989,037.40	



# Santa Monica Rent Control Board

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1685 Main Street, Room 202, Santa Monica, CA 90401 • (310) 458-8751 • [www.smgov.net/rentcontrol](http://www.smgov.net/rentcontrol)



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## 2016/17 ANNUAL OPERATING BUDGET

Adopted 6/9/2016

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### *BOARD MEMBERS*

Steve Duron ♦ Todd Flora ♦ Anastasia Foster  
Nicole Phillis ♦ Christopher Walton

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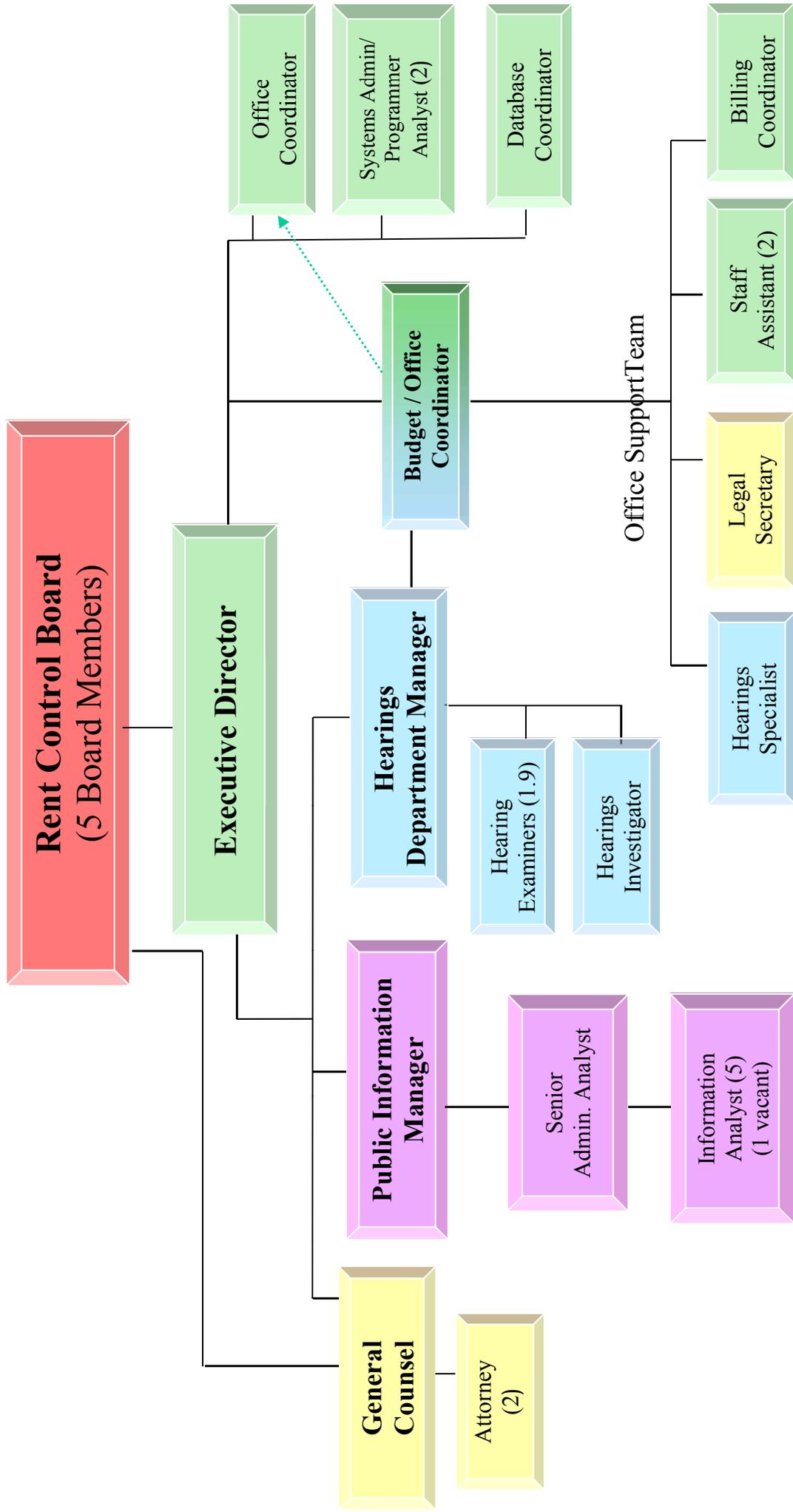
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# SANTA MONICA RENT CONTROL BOARD

## ORGANIZATION CHART



# LABOR SUMMARY

FY 2016/2017

CLASSIFICATION	AUTHORIZED POSITIONS 2013/2014	AUTHORIZED POSITIONS 2014/2015	AUTHORIZED POSITIONS 2015/2016	AUTHORIZED POSITIONS 2016/2017	AMOUNT OF CHANGE 15/16-16/17
Administration	<b>4.90</b>	<b>4.90</b>	<b>8.00</b>	<b>8.00</b>	<b>+0.00</b>
Public Information*	<b>11.00</b>	<b>11.00</b>	<b>8.00</b>	<b>7.00</b>	<b>-1.00</b>
Hearings	<b>5.90</b>	<b>5.90</b>	<b>5.90</b>	<b>5.90</b>	<b>0.00</b>
Legal	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>0.00</b>
<b>Total</b>	<b>25.80</b>	<b>25.80</b>	<b>25.90</b>	<b>24.90</b>	<b>-1.00</b>

\*One Information Analyst position will be vacant for the 2<sup>nd</sup> half of the fiscal year.

# PERMANENT STAFF BY CLASSIFICATION

FY 2016/2017

CLASSIFICATION	AUTHORIZED POSITIONS 2013/14	AUTHORIZED POSITIONS 2014/15	AUTHORIZED POSITIONS 2015/2016	AUTHORIZED POSITIONS 2016/2017	AMOUNT OF CHANGE 15/16-16/17
Administrator (Exec. Director)	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Billing Coordinator	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Budget/Office Coordinator	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Database Coordinator	<b>0.90</b>	<b>0.90</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
General Counsel	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Hearings Department Mgr.	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Hearings Specialist	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Hearings Investigator	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Hearing Examiner	<b>1.90</b>	<b>1.90</b>	<b>1.90</b>	<b>1.90</b>	<b>0.00</b>
Information Analyst*	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>	<b>5.00</b>	<b>-1.00</b>
Legal Secretary II	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Office Coordinator	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Public Information Mgr.	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Sr. Administrative Analyst	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Sr. Litigation Staff Attorney	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Staff Assistant III	<b>3.00</b>	<b>3.00</b>	<b>2.00</b>	<b>2.00</b>	<b>0.00</b>
Staff Attorney	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>
Sys. Admin. / Prog. Analyst	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>0.00</b>
<b>TOTAL</b>	<b>25.80</b>	<b>25.80</b>	<b>25.90</b>	<b>24.90</b>	<b>-1.00</b>



# Agency Goals 2016-2017

## **Ensure compliance with the rent control law and take affirmative legal action where indicated.**

- ❖ Ensure that all properties granted removal permits have actually been removed from the rental market, and ensure full compliance with the rent control law as to those that have not.
- ❖ Continue to initiate civil actions as necessary to enforce compliance with the rent control law.
- ❖ Complete the initial determination of whether existing owner-occupancy exemptions remain valid. Continue the annual monitoring process.
- ❖ Continue to collaborate with other city departments, including Code Enforcement and the City Attorney's Office, as necessary to ensure full compliance with, and implementation of, the rent control law.
- ❖ Continue to collect any past due registration fees through small claims actions.

## **Increase efficiencies through the use of technology.**

- ❖ Continue comprehensive evaluation of Agency's current and future information management needs and develop plan for replacement of the proprietary RENT database system.
- ❖ Improve the ease-of-use of the Rent Control website for the dissemination of information and communications with the public. Incorporate videos, presentations, and graphics to enhance the user's experience and to facilitate understanding of the law.
- ❖ Explore new methods for disseminating information to the public including developing mobile applications.
- ❖ Implement online filing, data capture, and automated database update of market-rate rental registrations.

## **Streamline petition-related regulations and processes.**

- ❖ Continue to review and revise, as needed, Board regulations related to the various petition processes.
- ❖ Update instructions and informational materials for parties involved in the petition process.

## **Collaborate with City Departments on Common Goals**

- ❖ Continue to support the City Council's strategic objectives of maintaining an inclusive and diverse community and addressing homelessness at the regional level.
- ❖ Upon Council adoption of a soft-story retrofit program, study, recommend and potentially implement program for consideration of seismic safety retrofitting costs.
- ❖ Assist city efforts to ensure owners and tenants conserve water as required by Stage II Water Response Plan.

AGENCY BUDGET								
OBJ	DESCRIPTION	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 15-16	FY 16-17
		ACTUAL EXPENSES	ACTUAL EXPENSES	ACTUAL EXPENSES	ACTUAL EXPENSES	ADOPTED BUDGET	PROJECTED EXPENSES	ADOPTED BUDGET
1100	PERMANENT EMPLOYEES	2,946,474	2,794,503	2,800,010	2,841,430	2,927,206	2,937,989	3,066,758
1104	BOARD ALLOWANCE	6,600	5,850	5,100	4,125	6,375	4,875	6,375
1149	OVERTIME	9,589	2,570	2,843	3,509	2,250	1,831	2,250
1150	AS-NEEDED EMPLOYEES	0	51,413	55,958	59,306	43,000	74,955	50,000
1171	MEDICARE EMP CONT	39,926	39,280	39,322	39,711	39,851	41,307	41,249
1173	INS-WORKERS' COMP	17,798	17,798	13,706	14,734	13,793	13,793	14,483
1174	INS-EMPL HEALTH/DENT	319,258	371,127	374,391	421,688	445,317	432,897	454,516
11743	Health	288,160	336,513	346,873	391,165	410,567	402,387	417,727
11748	Dental	27,466	31,051	24,134	26,994	30,990	26,996	33,030
11749	Vision	3,631	3,564	3,384	3,528	3,759	3,515	3,759
1177	RETIREMENT CONTRIB	517,376	493,232	505,797	585,235	589,991	567,629	643,548
1194	MEDICAL TRUST	45,034	43,887	42,786	43,833	44,709	44,711	46,545
1197	OTHER FRINGE BENEFITS	7,795	5,963	8,497	7,812	9,902	10,158	9,450
<b>TOTAL SALARIES &amp; WAGES</b>		<b>3,909,850</b>	<b>3,825,622</b>	<b>3,848,410</b>	<b>4,021,384</b>	<b>4,122,394</b>	<b>4,130,145</b>	<b>4,335,174</b>
2221	UTIL-TELEPHONE	2,531	1,870	1,855	6,323	10,000	1,863	3,500
2231	OFFICE SUPPLIES	16,879	16,476	18,671	15,272	17,100	15,867	17,100
2232	POSTAGE	32,743	36,013	35,648	35,536	40,600	40,600	41,600
2233	INVENTORY ISSUES	3,082	0	0	0	0	0	0
2254	ADVERTISING	2,500	741	397	894	2,000	1,350	2,000
2261	EQUIPMENT RENTAL	24	24	24	24	24	20	24
2262	RENT	1,096	0	0	0	0	0	0
2271	AUTO REIMBURSEMENT	6,450	5,000	0	0	0	0	0
2272	MILEAGE	573	370	325	386	450	528	450
2282	CONF-MTGS-TRAVEL	8,380	5,266	5,440	6,138	7,200	7,200	7,200
2290	MEMBERSHIPS & DUES	2,790	3,300	2,910	2,960	3,122	3,030	3,223
2294	INS-PROPERTY	2,995	0	0	0	5,007	5,007	5,497
3302	INS-GENERAL LIABILITY	17,882	18,448	20,574	20,513	21,878	19,739	23,650
4404	BOOKS & PERIODICALS	15,410	14,166	15,220	14,474	14,026	17,229	18,000
4411	PRINTING	23,249	24,730	19,793	14,149	15,300	14,296	15,628
4434	INDIRECT COSTS	287,132	282,355	263,280	269,862	274,720	274,720	280,213
4439	OTHER COSTS	7,150	43,266	6,600	39,694	8,050	7,475	33,050
5501	CONTRACTUAL SERVICES	21,536	20,738	19,259	19,730	22,600	20,766	22,544
5506	PROF SERVICES	78,749	61,549	53,971	51,961	58,000	60,317	58,000
5511	LEGAL EXPENSE	93,342	624	5,133	1,911	35,000	6,372	35,000
5521	TRAINING	6,126	4,083	3,562	4,158	9,000	4,084	9,000
7724	SERVICE AGREEMENTS	39,004	38,941	56,025	41,026	43,000	43,000	45,000
<b>TOTAL SUPPLIES &amp; EXPENSES</b>		<b>669,622</b>	<b>577,960</b>	<b>528,687</b>	<b>545,013</b>	<b>587,077</b>	<b>543,463</b>	<b>620,679</b>
8803	COMPUTER SYSTEMS	5,400	5,232	16,865	27,601	35,200	35,200	35,200
8808	OFFICE EQUIPMENT	7,633	9,708	13,354	9,272	9,500	9,500	9,500
8820	BLDG. RENOVATION	925	2,036	936	2,234	1,000	0	1,000
8855	RESVE-SYST. UPGRADE	0	0	0	0	0		25,000
<b>TOTAL CAPITAL OUTLAY</b>		<b>13,958</b>	<b>16,976</b>	<b>31,155</b>	<b>39,107</b>	<b>45,700</b>	<b>44,700</b>	<b>70,700</b>
<b>TOTAL BUDGET</b>		<b>4,593,431</b>	<b>4,420,559</b>	<b>4,408,252</b>	<b>4,605,504</b>	<b>4,755,170</b>	<b>4,718,307</b>	<b>5,026,553</b>

# **SALARIES AND WAGES**

<b>1100 PERMANENT EMPLOYEES</b> <i>ALLOCATION: \$3,066,758</i>	<b>Total Agency Positions - 24.90</b> <p>The total number of positions includes funds for an information analyst who will be hired to replace an analyst retiring at the end of December. The budget anticipates a period of overlap of 5 months to train the new person. The allocation reflects salary-related costs for currently filled positions as well as costs for three employees who will retire by the end of the fiscal year.</p>
<b>1104 BOARD ALLOWANCE</b> <i>ALLOCATION: \$6,375</i>	<p>Rent Control Board Commissioners each receive \$75 per meeting they attend. This allocation provides funds for seventeen meetings.</p>
<b>1149 OVERTIME</b> <i>ALLOCATION: \$2,250</i>	<p>The allocation covers \$300 for Administration, \$950 for Hearings, and \$1,000 for Public Information for work which cannot be completed in regularly scheduled hours. Most overtime hours in the Public Information Department are incurred during the summer months and for attending Agency-sponsored seminars and community meetings. The overtime for the Hearings Department is used primarily by the budget/office coordinator and the hearings investigator when necessary to complete time-sensitive projects.</p>
<b>1150 AS-NEEDED EMPLOYEES</b> <i>ALLOCATION: \$50,000</i>	<p>This allocation provides funds for as-needed employees to assist the Hearings Department with mediations and hearings.</p>
<b>1171 INSURANCE, MEDICARE</b> <i>ALLOCATION: \$41,249</i>	<p>Medicare regulations require a contribution of 1.45 percent of permanent and as-needed staff salaries for all employees hired after April, 1986.</p>

**1173**  
**INSURANCE,  
WORKERS'  
COMPENSATION**  
*ALLOCATION:*  
*\$14,483*

The Rent Control Board participates in the City of Santa Monica Workers' Compensation Fund. The Agency's share is based on the total number of employees, with a factor for past and existing claims. This year's allocation reflects a decrease of 5.00% from last year's allocation.

**1174**  
**INSURANCE,  
EMPLOYEE  
HEALTH,  
DENTAL AND  
VISION**  
*ALLOCATION:*  
*\$454,516*

The allocation is based on the 2016 and estimated 2017 premiums for the health, dental and vision plans provided for all permanent employees and their dependents. The City estimates healthcare premiums will increase by 10% for 2017. This budget uses actual amounts for each employee. Individual plan changes and/or actual rate changes during the fiscal year may affect the amount actually expended.

In January 2011, Agency employees began making small contributions toward the cost of their selected health insurance premiums and their contributions will rise in each of the next two years.

•Health	\$417,727
•Dental	33,030
•Vision	3,759

**1177**  
**RETIREMENT  
CONTRIBUTION**  
*ALLOCATION:*  
*\$643,548*

For FY 16/17 the retirement contribution rate is 21.638% of staff salaries, which is a 1.056% increase from the 20.484% rate applied to salaries in FY 15/16. Beginning with FY 15/16, the City's Finance Department created an annual fund into which each city department will contribute an amount to be used for future PERS paydowns. For FY 16/17 the Agency's share is anticipated to be \$16,892 and is included in the allocation for this line item.

**1194**  
**MEDICAL  
TRUST**  
*ALLOCATION:*  
*\$46,545*

The Employee Medical Benefit Trust fund was established in July 2001 to reimburse employees when they retire for a portion of their healthcare expenses. This allocation represents the contributions that will be made by the Agency for current employees for FY 16/17.

**1197**  
**OTHER FRINGE**  
**BENEFITS**

*ALLOCATION:*  
*\$9,450*

This line item includes life and accident insurance, unemployment insurance, the Employee Assistance Program (counseling), Managed Mental Health (substance abuse and mental health treatment), long term disability insurance and DCAP (childcare subsidies for income-qualifying employees).

# SUPPLIES AND EXPENSES

<p style="text-align: center;"><b>2221</b> <b>UTILITIES:</b> <b>TELEPHONE</b></p> <p style="text-align: center;"><i>ALLOCATION:</i> <i>\$3,500</i></p>	<p>This allocation covers telephone expenses for the Agency, including computer network connections and infrastructure costs.</p>
<p style="text-align: center;"><b>2231</b> <b>OFFICE</b> <b>SUPPLIES</b></p> <p style="text-align: center;"><i>ALLOCATION:</i> <i>\$17,100</i></p>	<p>The Rent Control Agency purchases office supplies through the city's Purchasing Department which contracts with an office supply vendor. This allocation includes traditional office supplies, including paper goods, and funds to purchase computer supplies and accessories such as connector cables, storage disks, and printer cartridges.</p>
<p style="text-align: center;"><b>2232</b> <b>POSTAGE</b></p> <p style="text-align: center;"><i>ALLOCATION:</i> <i>\$41,600</i></p>	<p>This allocation covers postage for annual mass mailings and other regular mailings:</p> <ul style="list-style-type: none"> <li>• General Adjustment/ Registration Fee Mailings <span style="float: right;">\$ 9,400</span></li> <li>• Newsletter Mailings (2) <span style="float: right;">23,000</span></li> <li>• General Mailings <span style="float: right;">6,800</span></li> <li>• Miscellaneous Postal Fees <span style="float: right;">2,400</span></li> </ul>
<p style="text-align: center;"><b>2233</b> <b>INVENTORY</b> <b>ISSUES</b></p> <p style="text-align: center;"><i>ALLOCATION:</i> <i>\$0</i></p>	<p>This line item no longer requires an allocation due to the closure of the city's supply warehouse during FY 11/12. Paper goods are now provided by an outside vendor and those costs are included in the Office Supplies line item.</p>
<p style="text-align: center;"><b>2254</b> <b>ADVERTISING</b></p> <p style="text-align: center;"><i>ALLOCATION:</i> <i>\$2,000</i></p>	<p>This allocation covers the cost of publishing public notices, other announcements required by law, and other various announcements.</p>
<p style="text-align: center;"><b>2261</b> <b>EQUIPMENT</b> <b>RENTAL</b></p> <p style="text-align: center;"><i>ALLOCATION:</i> <i>\$24</i></p>	<p>This allocation is for leasing the water cooler in the Rent Control office.</p>

<p><b>2262 RENT</b> <i>ALLOCATION: \$0</i></p>	<p>The Board no longer rents office space outside of City Hall. Staff rearranged its current space in FY 12/13 and created a modest conference room to hold hearings on petitions filed by tenants and owners.</p>
<p><b>2271 AUTO REIMBURSEMENT</b> <i>ALLOCATION: \$0</i></p>	<p>Car allowances for management staff were discontinued in FY 13/14.</p>
<p><b>2272 MILEAGE</b> <i>ALLOCATION: \$450</i></p>	<p>This allocation provides mileage reimbursements at \$0.540 cents per mile.</p>
<p><b>2282 CONFERENCES, MEETINGS, TRAVEL</b> <i>ALLOCATION: \$7,200</i></p>	<p>The Board and staff incur travel expenses for trips to Sacramento to attend conferences, to advocate and testify regarding proposed state legislation that would affect Santa Monica Rent Control, and to coordinate with other rent control agencies. This account also includes expenses related to conducting Board meetings and training for Board members.</p>
<p><b>2290 MEMBERSHIPS AND DUES</b> <i>ALLOCATION: \$3,223</i></p>	<p>The Board pays the California State Bar dues of attorneys employed by the Board. Additionally, this allocation includes funds for staff to participate in professional management organizations and associations.</p>
<p><b>2294 INSURANCE, PROPERTY</b> <i>ALLOCATION: \$5,497</i></p>	<p>This allocation is for the Agency's share of the property insurance for City Hall which includes fire and theft of office equipment, furniture and valuable papers, as well as computer equipment and software.</p>
<p><b>3302 INSURANCE, COMPREHENSIVE</b> <i>ALLOCATION: \$23,650</i></p>	<p>❖ <b>General Liability includes the following coverage: Non-owned and Hired Automobile Liability, Public Officials Errors and Omissions and Employment Practices Liability.</b></p> <p>The Agency carries a \$3,000,000 combined limit liability policy with a \$1,000 deductible for all items except for Employment Practice Liability which has a \$10,000 deductible.</p>

**4404**  
**BOOKS AND PERIODICALS**  
*ALLOCATION:*  
*\$18,000*

This allocation covers purchase of books and materials on rent control and housing issues, updates to the legal library, computer manuals, and subscriptions to newspapers and journals.

**4411**  
**PRINTING**  
*ALLOCATION:*  
*\$15,628*

- Newsletter (2 issues) \$5,050
- General Adjustment Letters 7,262
- Registration Fee Bills/Envelopes 1,566
- Owner and Tenant Vacancy  
     Registration Forms 400
- Regulations, information sheets,  
     letterhead, envelopes, and  
     miscellaneous printing 1,350

**4434**  
**ADMINISTRATIVE INDIRECT COSTS**  
*ALLOCATION:*  
*\$280,213*

The City assesses the Agency for various services provided. This fee covers maintenance costs of office space within City Hall and the services provided by the departments of Finance, Purchasing, Human Resources, Facilities Maintenance and Information Systems. These costs are distributed among all city departments according to an allocation base which approximates each department's share of overhead and service costs. In past years, an annual allocation plan was issued identifying and detailing how the various allocations were made. Since FY 14/15, the Finance Department has assessed a flat percentage increase each fiscal year for the indirect costs based on the last allocation plan issued by the Finance Department in FY 13/14.

A new allocation plan is currently in development but it will not be completed before the start of the new fiscal year. For FY 16/17 staff has been advised to increase the indirect costs by 2.0% over last year's allocation.

For each category of expense included in the Board's allocation, the following information is provided: the source of the charges, a description of services rendered, the allocation base used, and the percentage used to calculate the Rent Control assessment. The allocation base shown for each of the categories reflects the same base used last year. The actual cost for each category reflects a 2.0% increase over the cost for FY 15/16.

❖ **Community Information - \$3,887**

**City Hall Receptionist: \$3,887**                      **Allocation % – 1.21%**

Services Rendered – Provide direction and information to members of the public and other visitors to City Hall.

*Allocation Base – Adjusted adopted budget FY 12/13.*

❖ **City Attorney - \$4,447**

**Civil Legal Services: \$4,447**                      **Allocation % – 0.070%**

Services Rendered – Provide legal advisory services for personnel matters.

*Allocation Base – Allocation of time spent FY 11/12.*

❖ **Support Services – \$16,104**

**Mail Services: \$11,577**                      **Allocation % – 1.89%**

Services Rendered – Pick-up, stamp and process outgoing mail.

*Allocation Base – Actual Postage Charges FY 11/12.*

**Printing Services: \$4,527**                      **Allocation % – 0.650%**

Services Rendered – Provide printing and copying services for the Agency.

*Allocation Base – Actual Print Shop Charges FY 11/12.*

❖ **Facilities Management: \$175,741**

**Administration: \$173**                      **Allocation % – 0.196%**

Services Rendered – Administrative cost of facility maintenance.

*Allocation Base – Actual hours of facility maintenance.*

**City Hall Custodial Services: \$97,815**                      **Allocation % – 1.543%**

Services Rendered – Provide custodial services at City Hall

*Allocation Base – FY 11/12 - Actual custodial hours.*

**City Hall Maintenance: \$27,900**                      **Allocation % – 7.768%**

Services Rendered - Structural maintenance for City Hall.

*Allocation Base - Square feet occupied by Rent Control Board offices in City Hall.*

**Facilities Maintenance Mgmt: \$24,144**                      **Allocation % – 0.584%**

Services Rendered – Oversight and administration

of maintenance management.

*Allocation Base – FY 11/12 (50% of Maintenance time + 50% sq. footage).*

**City Hall Building Use: \$25,709      Allocation % – 7.768%**

Services Rendered – Provide general building improvements to City Hall.

*Allocation Base - Square feet occupied by Rent Control Board offices in City Hall.*

❖ **Information Systems - Operations: \$18,312**

**PC/Network Support: \$8,011      Allocation % – 0.557%**

Services Rendered – Provide computer and network support.

*Allocation Base – 25% of number of computers and printers FY 11/12.*

**Telecommunications Support: \$5,506      Allocation % – 1.128%**

Services Rendered – Provide telecommunications support.

*Allocation Base – Number of telecommunication lines FY 11/12.*

**Help Desk/Training Services: \$4,795      Allocation % – 0.568%**

Services Rendered – Provide computer help and training services.

*Allocation Base – 25% of number of computers, printers FY 11/12.*

❖ **Finance - \$37,371**

**Finance Admin. - \$4,418**

**Purchasing Services: \$3,513      Allocation % – 0.354%**

Services Rendered – Acquisition of services, materials and supplies for the Agency.

*Allocation Base – Weighted average of Purchasing Transactions FY 11/12.*

**Contract Services: \$905      Allocation % – 0.444%**

Services Rendered – Process contracts and contract payments.

*Allocation Base – # of Contracts Processed FY 11/12.*

**Financial Operations - \$28,160**

**Accounts Payable: \$7,962      Allocation % – 1.346%**

Services Rendered - Disburse funds to vendors and

conduct other necessary accounting activities.

*Allocation Base - Number of warrants issued FY 11/12.*

**General Accounting: \$18,318      Allocation % – 1.21%**

Services Rendered – Provide accounting services – general ledger maintenance, compiling financial reports etc.

*Allocation Base – Adjusted adopted FY 12/13 budget*

**Financial System Support: \$1,880**

**Allocation % – 1.21%**

Services Rendered – Maintain financial accounting systems.

*Allocation Base – Actual supplies and expenses.*

**Finance Business and Revenue - \$4,793**

**Cash Management: \$870      Allocation % – 0.530%**

Services Rendered - Manage the City's investment portfolio which includes Rent Control funds.

*Allocation Base – Department's fund interest FY 11/12.*

**Audit Service: \$3,923      Allocation % – 1.21%**

Services Rendered – Provide audit services.

*Allocation Base – Adjusted adopted budget FY 12/13.*

❖ **Human Resources - \$24,351**

**Benefit Administration: \$10,225**

**Allocation % – 1.38% / 0.177%**

**Permanent Employees - \$10,143 /**

**As-Needed Employees - \$82**

Services Rendered – Administer employee benefits for all permanent and as-needed employees.

*Allocation Base - Authorized permanent and as-needed employees FY 11/12.*

**Class & Compensation Studies: \$3,522**

**Allocation % – 1.383%**

Services Rendered – Prepare job classification and compensation studies.

*Allocation Base – Number of permanent employees FY 11/12.*

**Recruitment: \$10,222      Allocation % – 1.297%**

Services Rendered – Provide recruitment services.

*Allocation Base – FY 11/12 (50% Requisitions + 50% New Hires)*

**Rideshare Program: \$382      Allocation % – 0.455%**

Services Rendered – Administer Rideshare program

for city employees.

*Allocation Base - # of rideshare participants FY 11/12.*

**4439  
OTHER COSTS**

**ALLOCATION:  
\$33,050**

The allocation covers the cable television costs for coverage of 14 televised Rent Control Board meetings at \$575 per meeting. This allocation also includes \$25,000 for election costs to fill two Rent Control Board seats.

**5501  
CONTRACTUAL  
SERVICES**

**ALLOCATION:  
\$22,544**

❖ **Administration: \$8,334**

- Mailhouse services for two newsletters \$4,584
- Mailhouse services for mass mailings 3,450
- Access to the County Assessor's database through DataQuick 300

❖ **Hearings: \$12,710**

- Attorney service to serve subpoenas and advance witness fees \$1,200
- Storage, retrieval and destruction of files 11,510

❖ **Legal: \$1,500**

- Messenger service \$1,500

**5506  
PROFESSIONAL  
SERVICES**

**ALLOCATION:  
\$58,000**

\$55,000 is allocated for professional services for the Agency including the Board's lobbyist and other consulting services.

- ❖ The services of a real estate appraiser and contractor consultant are used in connection with removal permits and construction-related petitions.
- ❖ The lobbyist represents the Board's interests in Sacramento and for statewide and national legislative advocacy. Funds for travel-related expenses are included.

\$3,000 is allocated for the following:

- ❖ Translation services for the newsletter, website, information sheets and other mailings.
- ❖ Interpreters at hearings and Board meetings and police/security services when needed.

**5511  
LEGAL EXPENSE**

*ALLOCATION:  
\$35,000*

The allocation covers the direct costs of litigation, document delivery costs to courts, outside counsel (if needed), title searches, depositions, and potential legal liabilities. If additional funds are needed to cover legal expenses, with the Board's authorization, funds will be moved into the budget from the reserve fund.

**5521  
TRAINING**

*ALLOCATION:  
\$9,000*

The Agency encourages staff to acquire training and skills that will enhance their contribution to the Agency and further their promotional opportunities. The allocation provides funds for courses, seminars and workshops conducted by universities, professional associations and other educational organizations and for Continuing Legal Education that the State Bar requires for attorneys.

**7724  
SERVICE  
AGREEMENTS**

*ALLOCATION:  
\$45,000*

This allocation covers the costs of purchasing service agreements for office equipment and computer hardware. In most cases, the agreements provide regular maintenance and repair of covered equipment at no additional cost. The allocation also includes funds to cover the cost of ongoing software maintenance/license agreements, maintenance of our digital filing system and funds to purchase additional software licenses and maintenance agreements, if needed to accommodate and implement new technology.

- Hewlett Packard Computer Hardware and Software \$26,000
- On Base and Ascent Scanning System 10,024
- Miscellaneous office equipment and maintenance agreements 1,800
- Miscellaneous new and ongoing software license fees (including Microsoft) and maintenance agreements 7,176

# CAPITAL OUTLAY

## **8803 COMPUTER SYSTEMS**

*ALLOCATION:  
\$35,200*

This allocation includes \$25,000 for consultant fees, software and/or hardware related to the Agency's plan for development of a replacement database system. In addition, this allocation provides funds to replace or repair computers, monitors and printers if needed, and to purchase additional computer equipment, software and hardware to maintain the Agency's computer systems.

- Consultant and other fees  
for system upgrade \$25,000
- Desktop computers, monitors, printers 5,500
- Miscellaneous software,  
hardware and supplies 4,700

## **8808 OFFICE EQUIPMENT**

*ALLOCATION:  
\$9,500*

The allocation provides funds for monthly lease payments for a copier machine. The lease payments include costs for maintenance and supplies. The allocation also includes funds for office equipment and furniture for the Agency such as bookcases, desks and small cabinets.

- Lease copier at City Hall \$7,500
- Miscellaneous office furniture/equipment 2,000

## **8820 BUILDING RENOVATION**

*ALLOCATION:  
\$1,000*

This allocation includes funds to cover costs to reconfigure various workspaces, if required, and other minor modifications to the Agency's space.

## **8855 RESERVE FOR SYSTEM UPGRADES**

*ALLOCATION:  
\$25,000*

This allocation provides funds for additional hardware, software and consultant fees that may be needed for the development of the Agency's database system.

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# **REVENUE PROJECTION**

Revenue for FY 16/17 is projected to be \$4,656,906. The sources of the Agency's revenue are registration fees of \$174.96 per unit (\$14.58 per month per unit), interest earnings on unexpended Rent Control funds, fees for administrative records, limited filing fees and miscellaneous receipts.

For the first time in seven years, the registration fee was increased in FY 13/14. The fee was not increased in FY 14/15 or FY 15/16 and it is recommended that the fee for FY 16/17 remain \$174.96 per unit.

## **Registration Fees**

The Board's primary source of income has always been the registration fee paid on each rent controlled unit in the city.

The number of billable units for the upcoming fiscal year is projected based upon analysis of the Agency's database and projections of current trends such as Ellis withdrawals, exemptions granted, fee waiver applications approved and rates of TORCA unit sales. The number of billable units changes during the year. Some units become exempt or fee waivers are granted making those units no longer billable, while other units previously exempt or otherwise not billed become billable units.

In FY 15/16, the adopted budget was based upon 26,335 billable units. For FY 16/17, the projected number of billable units will remain 26,335. In addition, it is projected that \$6,000 of previous years' fees will be collected. Due to staff's successful collection efforts in recent years, the amount of outstanding past due fees has been significantly reduced. Staff will continue to actively pursue property owners who owe past due registration fees.

## **Registration Fee Refunds**

Sometimes after registration fees have been paid for a unit, that unit receives a fee waiver or an exemption. In those instances, pursuant to the regulations, refunds are issued. Fee waivers are granted throughout the fiscal year for owner-occupied units and units occupied by low income senior and disabled tenants and tenants with Section 8 vouchers.

Refunds are also issued for overpayments of billed fees. Overpayment refunds are unpredictable and vary from year to year. In recent years, staff has diligently updated and adjusted Agency billing records as soon as relevant information is available. This process has helped reduce the number of overpayment refunds, although overpayments are still made for a variety of reasons.

For FY 16/17, total refunds are projected to be \$12,000 which is \$2,000 less than anticipated for FY 15/16.

Based on an estimate of 26,335 billable units with an annual registration fee of \$174.96 per unit, the revenue from registration fees (current and past due) should be \$4,613,572. Net registration fees after subtracting projected refunds (\$12,000) will be \$4,601,572.

### Interest Earnings

Another source of revenue is interest earnings on City-invested Rent Control funds. Staff estimates the interest earnings for FY 16/17 will be \$47,334. The City Treasurer estimates a rate of return on invested funds of 1.40%. Staff uses the same rate to estimate Board interest earnings on a declining balance. In past years, interest earnings were a significant source of revenue for the Agency. However, in recent years, this revenue has been reduced primarily due to low interest rates as well as a reduction in the Board's reserves.

### Administrative Records

The Agency provides administrative records as a service to members of the public who request them. Staff estimates that the Agency will receive \$3,000 in administrative records fees in FY 16/17.

### Filing Fees

The Board has adopted two filing fees: a \$50 fee for processing a Vacancy Unit Registration on a property that has an owner-occupied exemption and a \$100 fee for processing an owner-occupied exemption application. The majority of filing fees collected each fiscal year is attributed to owner-occupied exemption applications. Total projected filing fees are \$2,500.

### Miscellaneous Charges

Miscellaneous charges, such as those for photocopies, prints from the computerized site file documents and public records requests, are projected to be \$2,500.

## **SOURCES OF REVENUE**

Registration Fees - 26,335 units	\$4,613,572	
<i>(including \$6,000 in past due fees)</i>		
Refunded Registration Fees	<u>-12,000</u>	
Registration Fees Subtotal		4,601,572
Interest Earnings @ 1.40%		47,334
Administrative Records Charges		3,000
Filing Fees		2,500
Miscellaneous Charges		<u>2,500</u>
Total Revenue		\$4,656,906

<b>Total Projected Revenue</b>	<b>\$4,656,906</b>
<b>Total Projected Expenditures</b>	<b>- 5,026,553</b>
<b>Revenue less Expenditures</b>	<b>-\$369,647</b>

The budget anticipates a deficit by the end of the fiscal year of slightly more than 7.3% of total expenditures. In years in which the Board approves a deficit budget, the deficit is often reduced due to increased fee collections or reduced expenditures during the year. As noted in the cover memo to this document, almost 40% of the projected deficit for FY 16/17 is attributable to one-time costs that will not typically reoccur in future years. The deficit that remains at the end of the fiscal year will be covered by the Board's reserves.

## **FUND BALANCE**

At the end of FY 15/16, the Agency's fund balance, which is the Agency's "safety net" in case of emergency, is projected to be \$1,367,374. The budget has a deficit of \$369,647.

The City's reserve fund policies require the City to maintain a level of reserves based on a percentage of the current year's operating budget and the value of earned vacation and sick leave benefits for Agency employees. Staff believes it is prudent for the Agency to follow similar policies reserving a minimum of 10% of the current year's operating budget and an amount equal to the earned leave accruals for Board employees. Under these guidelines, the Agency should maintain approximately \$1,004,577 in reserves through FY 16/17.

## **RESTRICTED FUND BALANCE**

*Restricted funds are funds from the Agency's Fund Balance which are identified and restricted for particular use. They can be viewed as special savings accounts from which funds can be used for unforeseeable expenditures.*

At the end of fiscal year 2015/2016 the Legal Expenses restricted fund will have a balance of \$41,975. Staff recommends maintaining this restricted fund for fiscal year 2016/2017. (This account is identified by the Finance Department as JDE account # 29.370323.)

<b>Restricted Fund Name</b>	<b>2016/2017</b>
Legal Expenses	\$41,975

# **ADMINISTRATION**

## **DEPARTMENT**

The Administration Department oversees the fiscal, personnel, contract administration, labor relations, public relations, research, planning and policy development activities of the Rent Control Agency. The department also maintains the Agency's computer systems and databases.

Along with general administrative activities, the department provides direct support to the elected Rent Control Board by preparing and distributing agenda packages, scheduling Board meetings, preparing and archiving Board actions and processing correspondence for the Board.

The Executive Director, who heads the Administration Department as well as the Agency, is responsible for directing the overall operations of the Agency on behalf of the Board.

The Office Coordinator performs the administrative, record-keeping, confidential support and clerical responsibilities for the Board and Executive Director.

The three information technology staff members maintain the database and word processing systems, generate computer reports, and coordinate Agency activities that rely on the computer, such as development of the web site. They develop and update programs, design and install new systems to meet changing Board requirements, and maintain the capabilities of the computer and peripheral electronic equipment.

### *Office Support Team*

The Administration Department oversees the Office Support Team which is supervised by the Budget/Office Coordinator and includes support staff from the Administration, Hearings and Legal Departments. This team provides support throughout the Agency including processing registration forms, scanning Agency documents, mailing correspondence and providing phone backup in addition to their primary, department-specific duties. The three support team members within the Administration Department include the Billing Coordinator and two Staff Assistants.

The Billing Coordinator issues registration fee bills to owners of controlled properties, collects and processes fees, inputs billing-related changes into the database, and maintains the electronic billing history. She also processes fee waiver applications and refunds for owner-occupied units, single family dwellings, low-income seniors and disabled tenants, and units occupied pursuant to Section 8 vouchers. Additionally, she processes Clean Beaches and Ocean Parcel Tax waiver applications and refunds.

The two Staff Assistants' primary duties include data entry of all non-billing related information, maintaining the property registration and document files, copying and mailing various Agency forms and information sheets, and receiving and directing calls from the public,

The team also includes the Hearings Specialist and the Legal Secretary. These team members provide support to their respective departments as well as providing assistance throughout the Agency. Their primary duties are detailed in the Hearings and Legal department descriptions.

# **PUBLIC INFORMATION**

## **DEPARTMENT**

The Public Information Department responds to questions and informs the public about the Rent Control Law, as well as the current status and history of specific controlled units. The department also educates the public about the Agency's services using a variety of media to reach all of the Agency's constituents: a twice-yearly newsletter is published and distributed; an annual report is prepared regarding controlled rental housing and Agency activity; the Agency's website and social media presence are well-maintained; seminars are presented for tenants, landlords, and realtors several times a year; and staff participates in public meetings throughout the city.

The department handles the initial processing of the thousands of forms filed by landlords and tenants with the Agency each year. Staff members research current lawful rent levels and document administrative and legal activity affecting each controlled unit in the city.

The Public Information Manager plans and monitors the department's work, supervises implementation of the debt collection and owner-occupied exemption lapse projects, oversees the monitoring of deed restriction compliance and conducts staff training. The Public Information Manager also participates on the management team that oversees the Agency's operation.

The Senior Administrative Analyst assists the manager by supervising, organizing, assigning and reviewing the work of the Information Analysts, including coordinating and overseeing the implementation of programs and projects developed by the manager. The Senior Administrative Analyst also provides information and assists the public along with the Information Analysts.

The Information Analysts are the primary contacts with the public. They provide information about the Rent Control law and regulations, related city and state laws, and maximum allowable rent levels for controlled rental units. They process new and amended registration forms; review petitions filed by tenants and landlords; process and report on Ellis withdrawals; process owner-occupied exemption applications; and respond to public inquiries in person at the public counter, by telephone and by email. They also participate in community outreach through writing newsletter articles and making presentations at tenant and landlord seminars.

# **HEARINGS**

# **DEPARTMENT**

The Hearings Department handles petitions, complaints and applications filed by tenants and landlords by scheduling hearings, sending notices, conducting investigations, drafting and issuing subpoenas for parties and documents, conducting administrative hearings, and issuing recommendations, decisions and addenda. The department also mediates decrease and excess rent cases and other rent control related disputes that are not part of on-going cases, including crafting solutions for tenants impacted when their buildings are undergoing construction. Members of the department work with the Building and Safety Department to encourage owners to make needed repairs of rent controlled units.

The Department Manager performs a variety of duties, including planning and supervising the work of the department and participating in the management team which oversees the operation of the Agency.

The Hearing Officers' major responsibilities are conducting administrative hearings, evaluating evidence and issuing written decisions based on the evidence. Administrative hearings are held on a variety of issues, including rent decreases, excess rent complaints, tenants not in occupancy, exemptions, registration of qualifying bootleg units, rent increases and base rent and amenities issues. In addition to presiding at hearings, Hearing Officers also mediate excess rent complaints and rent decrease petitions as needed.

The Mediators work with the parties involved in excess rent complaints and rent decrease petitions, often enabling the parties to come to an agreement without the necessity of a hearing, or limiting the issues that must be addressed at a hearing.

The work of the Hearings Department ebbs and flows, depending on the rate of petition filings. The department manages the fluctuating workload by using the services of former employees to assist with mediations and hearings on an as-needed basis.

The Hearings Investigator conducts inspections of properties for which rent decrease petitions have been filed and follow-up inspections to see whether or not the units have been repaired as required by the Rent Control Board's decision. The Inspector also conducts inspections for tenant-not-in-occupancy petitions, petitions to register a unit, exemption applications and occupancy and unit identification.

The Budget/Office Coordinator performs duties specific to the Hearings Department, prepares and monitors the Agency's budget including fiscal

planning and directly supervises the Office Support Team which is made up of support staff throughout the Agency. In addition, she interacts with the public on a variety of matters, performs research and generates complex technical reports and is responsible for overseeing the screening of petitions and scheduling hearings.

The Hearings Specialist provides paraprofessional and complex clerical support to the Hearings Department, including assisting the Hearing Officers and Mediators in preparation for hearings and mediations, and preparation of written decisions and settlement agreements. The Hearings Specialist provides assistance to the Hearings Investigator in conducting on-site inspections and preparing inspection reports. This position also works with the Information Analysts doing intake and screening of rent decrease petitions, and works with staff and the parties in scheduling hearings and mediations. This position sends notices of hearings and mediations and mails decisions and settlement agreements. The position is a member of the Office Support Team and provides assistance, as needed, throughout the Agency.

# **LEGAL** **DEPARTMENT**

Under the direction of the General Counsel, the Legal Department serves two principal functions: it advises the Board and the Agency on all legal matters, and it represents the Board in litigation.

Though much of the department's advisory work occurs outside the public view in order to preserve attorney-client confidentiality, there are important exceptions. As a legislative and quasi-adjudicatory body, the Board operates openly, publicly and transparently. Thus, when the Board decides whether to enact or amend a law, or when it hears an appeal of a hearing officer's decision, its deliberative process is fully public. As part of that public process, the Legal Department often prepares and publishes a written report that analyzes the issues presented and advises the Board about legally appropriate outcomes. Board attorneys also appear at the Board's public meetings and may publicly offer advice or provide information to the Board as a body.

In addition to its public and confidential advisory role, the Legal Department also serves as the Board's trial and appellate counsel, defending the Board's actions if they are challenged in court, defending the Board (and Board members if sued in their official capacity), litigating the legitimacy of the Rent Control Law, and representing the Board as a plaintiff in civil actions.

The Legal Department also represents the Board's interest in the State Legislature (frequently in conjunction with the Board's lobbyist and the City Manager's office) and works with other city departments as necessary to ensure the lawful implementation of the Rent Control Law.

Legal staff also advises the Public Information Department on Rent Control Law issues. General Counsel sits on the management team of the Agency participating in the operational oversight of the Agency's functions.

The Legal Secretary supports the three attorneys in the department. Her duties include formatting and word processing written materials, preparation of administrative records, maintaining the law library keeping appeal and litigation calendars. This position is also a member of the Office Support Team and provides assistance, as needed, throughout the Agency.