



## Rent Stabilization Board

### RENT STABILIZATION BOARD

DATE: June 15, 2023

TO: Honorable Members of the Rent Stabilization Board

FROM: Honorable Members of the Budget & Personnel Committee  
By: DéSeana Williams, Executive Director  
Lief Bursell, Senior Planner

SUBJECT: Recommendation to Board on FY 2023/24 Line-Item Budget, Staffing Model & Expenditure Level

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#### **Recommendation:**

That the Board adopt Resolution 23-13 approving the FY 2023/24 line-item budget and staffing model of 27.0 FTE career employees and authorize an overall spending level of \$7,506,460, which includes \$120,350 in expenditures from the Board's capital reserve.

#### **Background and Need for Rent Board Action**

Legally, the Board has until the end of June to adopt a staffing model and a budget with a maximum expenditure authorization for FY 2023/24. The Board's Budget and Personnel Committee is responsible for recommending to the Board the adoption of its annual budget. The Committee has met four times thus far in calendar year 2023 to review the status of the budget, the composition of the staffing model, and the projected revenues and expenditures for the coming fiscal year.

The Board received the FY 2022/23 mid-fiscal year budget update at its March 16, 2023 meeting as part of the Budget & Personnel Committee's recommendation to increase registration fee levels for FY 2023/24. After reviewing the status of the budget and the agency's projected revenue needs for the next fiscal year, the Board voted to raise the fully-covered unit fee from \$250 to \$290 per unit and to raise the partially-covered unit fee from \$150 to \$178 per unit. The Board and the Budget & Personnel Committee determined that these increased fee levels would provide the agency with sufficient revenue to cover expenditures for the upcoming fiscal year.

The Board also recently acted to add two new positions to establish a new Finance Unit within the Rent Board. The Board's Finance Unit will be responsible for the agency's extensive financial and budgetary duties, currently spread between several work units. At its October 20, 2022, meeting, the Board adopted resolution 22-23, which authorized the creation of a new Finance Director position in the Administrative and Fiscal Services Manager classification. At its May 18, 2023 meeting, the Board adopted resolution 23-12, which authorized adding a new Assistant Management Analyst position for the Finance Unit.

The Finance Director was hired in April of 2023, and staff has begun recruiting for the Assistant Management Analyst position, which should be filled sometime within the first quarter of FY 2023/24. The transition of all financial duties to the Finance Unit will take place once the unit is fully staffed.

### **FY 2022/23 Revenue Accounted for in FY 2022**

As a result of the data transition to the 3Di platform, some registration fees due FY 2022/23 were applied in FY 2021/22. This created a surplus in FY 2021/22 of \$775,359 which was later carried over to FY22/23. While the Board still received the appropriate amount of revenue for both years, the Board's financial statements show surplus revenue in FY 2021/22 and lower than anticipated revenue in FY 2022/23. Staff has also worked with 3Di to make the user experience more straightforward and to call attention to the need for owners to complete registration for the current registration period before moving to any registration or payments meant for the following registration year.

### **Update on Measure MM Registration**

Approximately 5,175 partially-covered units have been registered through the 3rd quarter of the FY 2022/23 registration year, up from the 4,750 units registered through the 3rd quarter of 2022. This includes 600 units in affordable housing projects operated by nonprofits that pay the lower \$37 per unit Measure MM fee. Total partially-covered unit revenue is estimated at around \$750,000 in FY 2023. The total number of partially-covered rental units subject to registration will continue to grow as new buildings are constructed and then leased for the first time. Staff and the Budget & Personnel Committee will continue to monitor and report on changes to the number of partially-covered units registered each fiscal year.

### **FY 2021/22 Year-end Fund Balance**

Staff reviewed the City of Berkeley Finance Department's closing reports detailing the Board's FY 2021/22 revenues and expenditures. The Board's year-end FY 2021/22 revenue was \$6,369,586, including the \$775,359 surplus revenue meant for FY 2022/23. The total year-end FY 2021/22 expenditures were \$5,232,297. After adjusting for this revenue and allocating it to FY 2022/23, actual revenues for FY 2021/22 were \$5,594,226. \$37,500 in funds was still owed

to the East Bay Community Law Center for services provided in FY 2021/22, which carried over to FY 2022/23.

The Board spent \$1,043,238 less than projected in its adopted FY 2021/22 budget. This was primarily due to personnel savings from several vacancies and delayed expenditures for the 3Di database and the tenant survey, which were planned but only expended for in the current fiscal year. The Board's revenues were also about \$80,000 greater than initially anticipated. Lower expenditures and slightly higher revenues left the Board with a total annual surplus of \$324,430 at the end of the fiscal year. As of June 30, 2022, the total fund balance was \$1,769,178.

The Board's capital reserve ended the fiscal year with a balance of \$420,200, and the Board's uncommitted reserve year-end balance is \$1,348,978. The year-end reserve amount exceeds the 8-16% Boards Reserve policy. Please note that these numbers are still preliminary because they need to be audited by the City of Berkeley's outside auditor.

### **3<sup>rd</sup> Quarter Update on FY 2022/23 Budget Status and Year-End Projections**

At the end of the 3rd quarter of FY 2022/23 (as of March 31, 2023), the agency's total revenue was \$5,262,839, and its total expenditures were \$4,447,907. Total FY 2022/23 registration year revenue through the 3rd quarter, including the \$775,359 accounted for in FY 2021/22, was \$6,038,198. Staff now project the total FY 2022/23 expenditures at around \$6,600,000, while total FY22/23 revenue projects at just over \$6,193,000. This would result in an FY 2022/23 deficit of \$409,000. While this is not a small deficit, it is \$700,000 less than initially projected. The change in the anticipated deficit amount is due to decreased personnel costs, increased revenue from increased partially-covered unit registration, and a notable increase in revenue from registration penalties.

The Board now projects to start next fiscal year with an uncommitted fund balance of just over \$1,260,000, over 19% of projected FY 2022/23 expenditures. The Board will also have \$133,513 in its capital reserve, \$73,513 of which is earmarked towards the continued development of the 3Di Rent Registry system.

### **Increased Registration Penalty Collection**

Annual registration penalty revenue averaged \$158,000 per fiscal year for a 10-year period between FY 2009/10 and FY 2018/19. During that period, registration penalty revenue averaged about 3.6% of total annual registration fee revenue. Penalty revenues then dipped to an average of around \$79,000 (1.6% of registration fee revenue) during FY 2019/20 and FY 2020/21 during the initial years of the COVID-19 pandemic. Increased revenues from penalty payments, which

were just over \$225,000 in FY 2021/22, coincided with the first year that partially-covered units were required to register with the Board.

Penalty revenues of over \$200,000 are more than was collected at any point in the previous decade. The agency collected a high of \$196,000 in penalty revenue in FY 2010/11. While \$225,000 is the most penalty revenue that the Board has received recently, penalty revenues for FY 2021/22 comprised 4.2% of total registration revenue received, well within the normal 3%-5.5% range.

For FY 2022/23, registration penalty revenue is again making a new high. Currently, staff projects the agency will end the year with about \$425,000 in penalty revenue, which is 7.4% of the total projected registration revenue. While some of this increase is likely still due to partially-covered units registering for the first time, staff have also amended and improved the collections process for this current registration year. The Budget & Personnel Committee has asked for more detail on the changes and improvements made to the collections process, and staff plans to present this information to the Board in the Fall of 2023.

### **Budgeting for Office Relocation**

The agency's current lease with 2001 Center Street LLC expires at the end of February 2024, within the 3rd quarter of the upcoming fiscal year. The Executive Director and the Budget & Personnel Committee have prioritized moving to a larger office space to give the agency room to grow while remaining in a central location easily accessible by transit. The size of the agency's current office space limits the Rent Board's ability to increase its staffing capacity, as there are no vacant offices for new staff positions. Staff has also consistently expressed interest in having all staff on the same floor to increase collaboration between working groups.

So far, staff is considering several locations that fit the criteria of being within Berkeley's downtown area and the necessary square footage to allow the agency to grow into the future. Depending on the location, downtown Berkeley's office space is currently offered at up to \$4 per square foot. This is slightly lower than the \$4.36 per square foot the agency is currently paying for its office space. Several available office spaces offer more than 10,000 square feet on one floor. A space of this size is considerably larger than the agency's current office space, which has 6,759 square feet spread between two floors. While the additional square footage is needed to increase agency capacity, it will come at a substantial cost.

The Executive Director is working with a commercial real estate agent to identify and make offers on potential sites. Based on the information provided by the agency's commercial real estate agent, upfront costs for entering a lease agreement for office space will include payment of the initial months' rent, a security deposit of up to 3 months' rent, and moving expenses. The

total costs for these items could be as high as \$200,000, which is reflected in the proposed budget recommendation.

Staff is also contracting with an architectural firm to create floorplans that test how the agency's needs can be accommodated in the available office suites.

Staff is hopeful that tenant improvements, several months of free rent, and possible reimbursement of architectural services can be negotiated as part of any new lease agreement. However, any lease negotiation has a wide range of possible outcomes, and the Board may be required to pay some additional upfront costs. A possible worst-case scenario is that the agency will need to extend the lease at its current location to allow for the completion of tenant improvements in a new office space.

If the agency relocates to an office space of over 10,000 square feet, the Board's expenditures for building rent could increase by up to \$200,000 for FY 2024/25. The agency currently pays around \$350,000 per year in rent, which could go up to \$550,000 per year for a larger office space. The rental rate would then continue to increase incrementally throughout the lease term, and annual expenditures for the agency office space could approach \$750,000 by the end of a 10-year lease agreement. Relocating to new office space will require future registration fee increases, likely as soon as FY 2024/25.

### **Highlights of the FY 2023/24 Proposed Budget**

The proposed FY 2023/24 Budget (Attachment 1) requests new spending authorization totaling \$7,506,460. This amount includes \$7,026,110 toward the agency's recurring operational expenses, \$196,526 for the office relocation (including first month's rent, security deposit, and moving costs), and \$277,750 for development and maintenance of the 3Di Rent Registry database, property file digitization, consultant support for annual evaluations of the Executive Director and General Counsel, and expenditures for additional staff and a commissioner training.

**\$233,000 – Unallocated** - To prepare for possible contingencies related to the office relocation, including upfront costs associated with tenant improvements such as architectural services, staff recommends the Board authorize \$233,000 to the agency's unallocated account. The exact area of this expenditure is not allocated, so it is available for various expenses the Board may incur when relocating offices. In the ideal circumstance, all or most of these funds would not be used, but having this unallocated funding in place is important so it can be accessed if necessary.

**\$122,750 – 3Di Rent Registry** - The Board adopted a one-time \$20 adjustment to the registration fee in FY 2017/18, with the \$400,000 collected placed in the Board's capital reserve and earmarked for finding a sustainable long-term solution to the agency's database needs. The

agency contracted with 3Di, Inc. in the Fall of 2020 to first develop a standalone module for Measure MM registration and then create a replacement for the previous Rent Tracking System (RTS) and case management databases. The Measure MM system launched in February of 2021, and an integrated rental registry for fully-covered units, petitions, eviction tracking, and counseling case management launched in March of 2022. This proposed expenditure reflects the second of two payments for the development and configuration of the 3Di Rent Registry platform and the annual \$62,400 payment for maintenance and support. The \$60,350 development payment would come from the Board's capital reserve funds.

**\$95,000 – Property File Digitization** – The proposed budget recommends allocating \$95,000, including the remaining \$60,000 in the Board's capital reserve, not already committed towards the 3Di Rent Registry, towards the digitization of the Board's property files. The property files are currently maintained in a filing system mounted to a concrete foundation. Moving this system and installing it in a new location would cost the agency around \$20,000. Property file digitization will make agency records more accessible, reduce the need for storage space, and avert the need to invest \$20,000 towards moving the existing storage system.

**\$60,000 – Board & Staff Trainings** -The proposed budget recommends that \$10,000 be allocated annually to the Training line item (40-63) for ongoing enhanced training opportunities for staff. An additional one-time allocation of \$50,000 is set aside in the CIP line item for professional development and DEI training for staff, as well as separate training for the Board's elected commissioners and the agency's senior leadership team.

**\$40,000 – Digital Education** – Investing in digital education has been an ongoing Board priority. This expenditure is proposed to pay for the creation of new digital video content, as well as other forms of digital outreach.

**\$10,000 – Increased Travel** – The Board recently expressed interest in traveling to attend an out-of-state training. Therefore, staff recommends increasing the allocation to the Transportation & Commercial Travel (40-61/64), Meals & Lodging (40-62), and Registration Fees (40-63) line items.

### **Staffing Model**

The proposed budget recommendation does not include any further changes to the existing staffing model, which would remain at 27.0 FTEs. The Board should anticipate receiving more details on the Executive Director and Budget & Personnel Committee's plans to add additional capacity, including recommendations on new staff positions later in FY 2023/24.

### **Status of the Rent Board Fund Reserve Balance**

Historically, the Board has attempted to maintain a "one-to-two-month" uncommitted reserve balance in the Rent Stabilization Fund. The Budget & Personnel Committee believes an 8% reserve is too low and recommends that the Board target maintaining at least two months or 16% of the agency's recurring operational budget.

The Board previously elected to go below the 8% reserve level to contain the size of fee increases and even authorized going as low as 5% to prevent a fee increase during the COVID-19 pandemic. Despite this possibility, the agency has managed to maintain a reserve of over 16% since the end of FY 2017/18, and staff anticipates the Board will end this current fiscal year with an uncommitted reserve of just over 19%. The Board should anticipate starting FY 2023/24 with a reserve balance above its targeted level. The Board will also have around \$134,000 that is still set aside in its capital reserve, around \$74,000 of which is earmarked for the ongoing development of the 3Di Rent Registry.

The proposed budget also allocates \$60,350 of the capital reserve towards the 3Di Rent Registry system and \$60,000 for the property file digitization project. This would leave the Board's capital reserve with a remaining total of \$13,163, which is reserved for future expenditures on possible improvements to the 3Di Rent Registry system.

With FY 2023/24 revenue projected at \$6,965,175, the Budget & Personnel Committee's proposed expenditure level would reduce the Board's uncommitted reserve by up to \$420,000. While both staff and the Committee are hopeful that the office relocation will not require this maximum expenditure, the Board would still end FY 2022/23 with over 840,000 in its uncommitted reserve, an amount which is equal to exactly 12% of its recurring operational budget of \$7,026,110. The proposed reduction to the Board's fund balance below the 16% target is primarily recommended because there are still so many unknowns when budgeting the costs of relocating to a new office space.

### **Sustainability of FUND 440 Reserve Balance**

In FY 2020/21, FY 2021/22, and FY 2022/23, the adopted budget anticipated spending down the Board's uncommitted reserve, so the fund ended the year with less than 8% of recurring expenditures remaining. Savings in personnel costs from staff turnover and ongoing vacancies, as well as better than anticipated registration revenue from fully covered and Measure MM units, meant that the Board's reserve was never reduced to this level.

For FY 2023/24, the Budget & Personnel Committee recommends a 12% reserve target. While this is higher than the previous year's recommendation, it is lower than the recommended 16%

target. If the agency continues to collect additional revenue from the registration of new partially-covered units or if the agency can negotiate favorable lease terms for new office space, the Board's reserve balance may stay at or above the targeted 16% level.

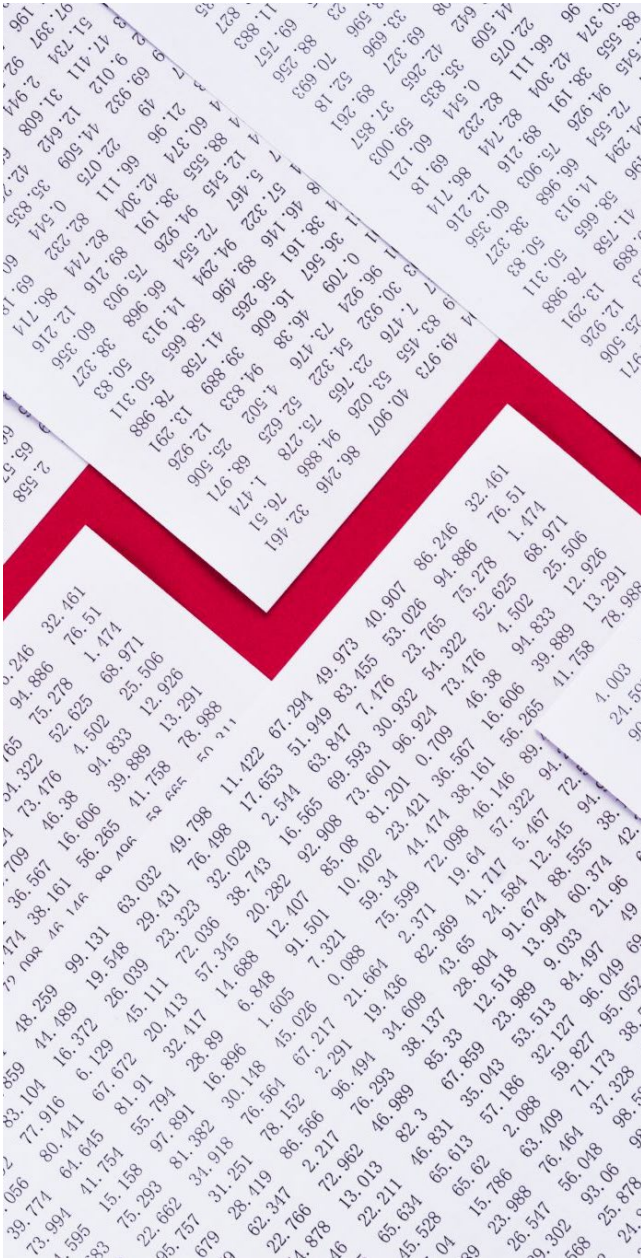
Attachments:

1. FY 2024 Budget Recommendation Presentation
2. Proposed FY 2024 Line-Item Budget with 3/4th-year FY 2023 Update and Preliminary Year-end FY 2022 actuals
3. FY 2023 and FY 2024 Graphic Overview of Changes in Rent Board Expenditures
4. Proposed FY 2023/24 Position Detail grouped by unit, classification and job duty
5. Resolution 22-13 authorizing FY 2023/24 Expenditure Authorization and Staffing Model



# FY 2023/24 Budget Recommendation

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# Budget 101

## Five Questions

How much money are we starting with?

How much revenue is projected?

What cost increases are anticipated?

What new expenditures are required and needed?

What is the Board's reserve level for next fiscal year?

Q: How much money are we starting with?

A: FY 2023 Year-End Projections

**Year-End Uncommitted Reserve:**  
**\$1,264,000**



**Capital Reserve: \$133,513**

Q: How much FY 2024 revenue?

A: Projected using # units & registration fees

Revenue Type	FY 2023 Units	FY 2023 Total	FY 2024 Units	FY 2024 Total
Fully-Covered Units	19,600 x \$250	= \$4.9 Million	19,600 X \$290	= \$5.68 Million
Measure MM Units	5,000 x \$150	= \$750,000	5,200 X \$178	= \$925,000
Totals	24,600 Units	= \$5.65 Million	24,800 Units	= \$6.6 Million

# FY 2024 Revenue Projections

Revenue Type	FY 2024 Projected
Fully-Covered Units	\$5,725,000
Measure MM Units	\$946,600
Penalties	\$250,000
Fair Chance Ord.	\$41,576
Misc. Fees	\$2,000
<b>Total Projected Revenue</b>	<b>\$6,965,175</b>

Q: What costs are increasing?

A: FY 2024 Non-Negotiable Cost Increases + \$750,000

Personnel Costs (Cola + Benefit increases) +\$150,000



A waterfall chart with five blue horizontal bars of decreasing length, each containing text about a cost increase. The bars are stacked vertically, with each bar starting further to the right than the one above it. Small grey downward-pointing arrows are positioned between the bars, indicating a cumulative total.

Establishing Finance Unit +\$565,000

Building Rent & School Board +\$20,000

Board Stipend + \$10,000

Possible Small Increases to Vendor contracts +\$5,000

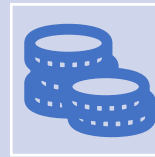


Q: What new expenditures are required and needed?

A: Office Relocation



Upfront Costs + \$200,000



Potential Other Costs  
+ \$233,000

# Budgeting for FY 2024 Agency Priorities

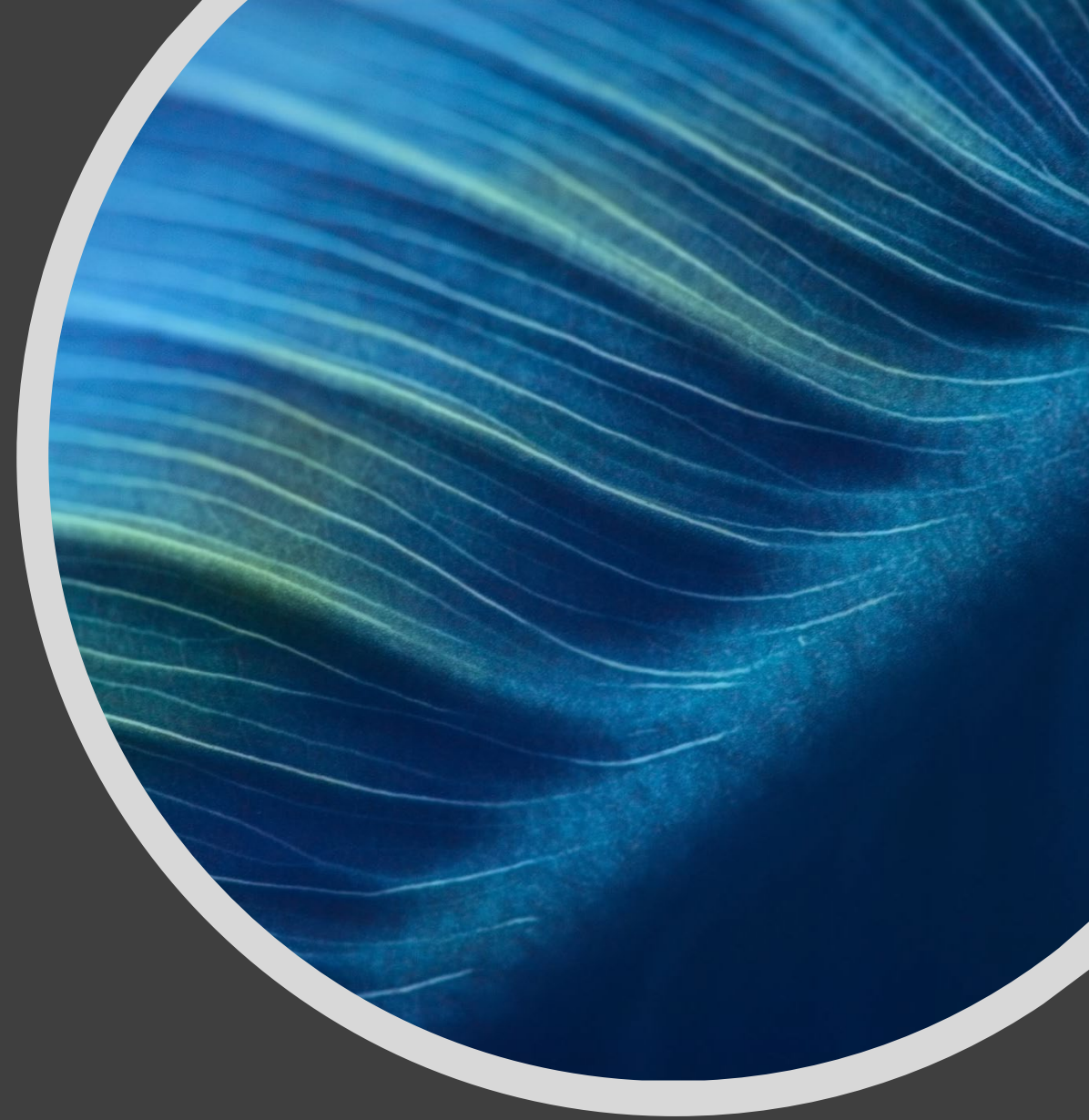
 Max Estimated Office Relocation \$433,000

 Digitizing Property Files \$95,000

 Staff and Board Trainings \$60,000

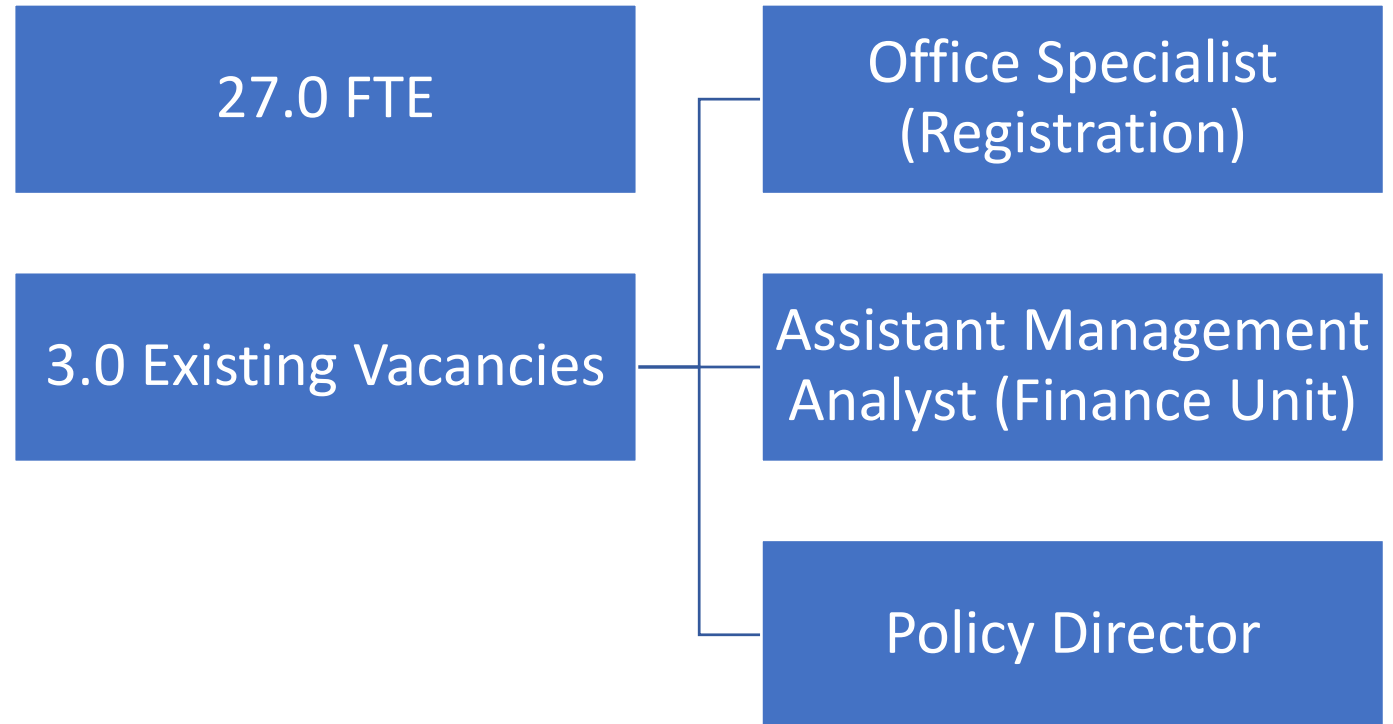
 Digital Education \$40,000

 Increased Travel +\$10,000





# Staffing Model



# FY 2024 Budget Recommendation



\$7,026,110 in recurring expenditures



\$120,350 from capital reserve  
(3Di development & file digitization)



\$433,000 office relocation expenditure



\$7,506,460 spending level



Q: What is the Board's reserve level for FY 2024?

A: Board Uncommitted Reserve Policy

**Staff  
Recommends  
a 12% Reserve for  
FY 2024**

# Rent Board Budget Snapshot

	<b>Projected FY 2023</b>	<b>Proposed FY 2024</b>
<b>Total Authorized Fund Expenditures</b>	<b>6,602,445</b>	<b>7,506,460</b>
Fully-covered Unit Revenue	4,350,000	5,725,000
Measure MM Revenue	600,000	946,600
Registration Penalties	425,000	250,000
Fair Chance Ord. Administration	41,575	41,575
Misc. (Project review, Settlements, Admin. Fees)	1,500	2,000
<b>Total Authorized Fund Revenue</b>	<b>5,418,075</b>	<b>6,965,175</b>
<b><i>FY 23 Registration Revenue</i></b>	<b>775,359</b>	
Annual Surplus/Shortfall	(409,011)	(541,285)
<b>FUND BALANCE (cash basis)</b>	<b>1,397,668</b>	<b>856,383</b>
<b>FUND BALANCE (accrual basis)</b>	<b>1,397,668</b>	<b>856,383</b>
<b>TOTAL UNCOMMITTED RESERVE BALANCE</b>	<b>1,264,155</b>	<b>843,220</b>

# Budget & Personnel Committee's FY 2024 Budget Recommendation



FY 2024 revenue projection of **\$6,965,175**



Proposed FY 2024 Recurring Expenditures of **\$7,026,110**



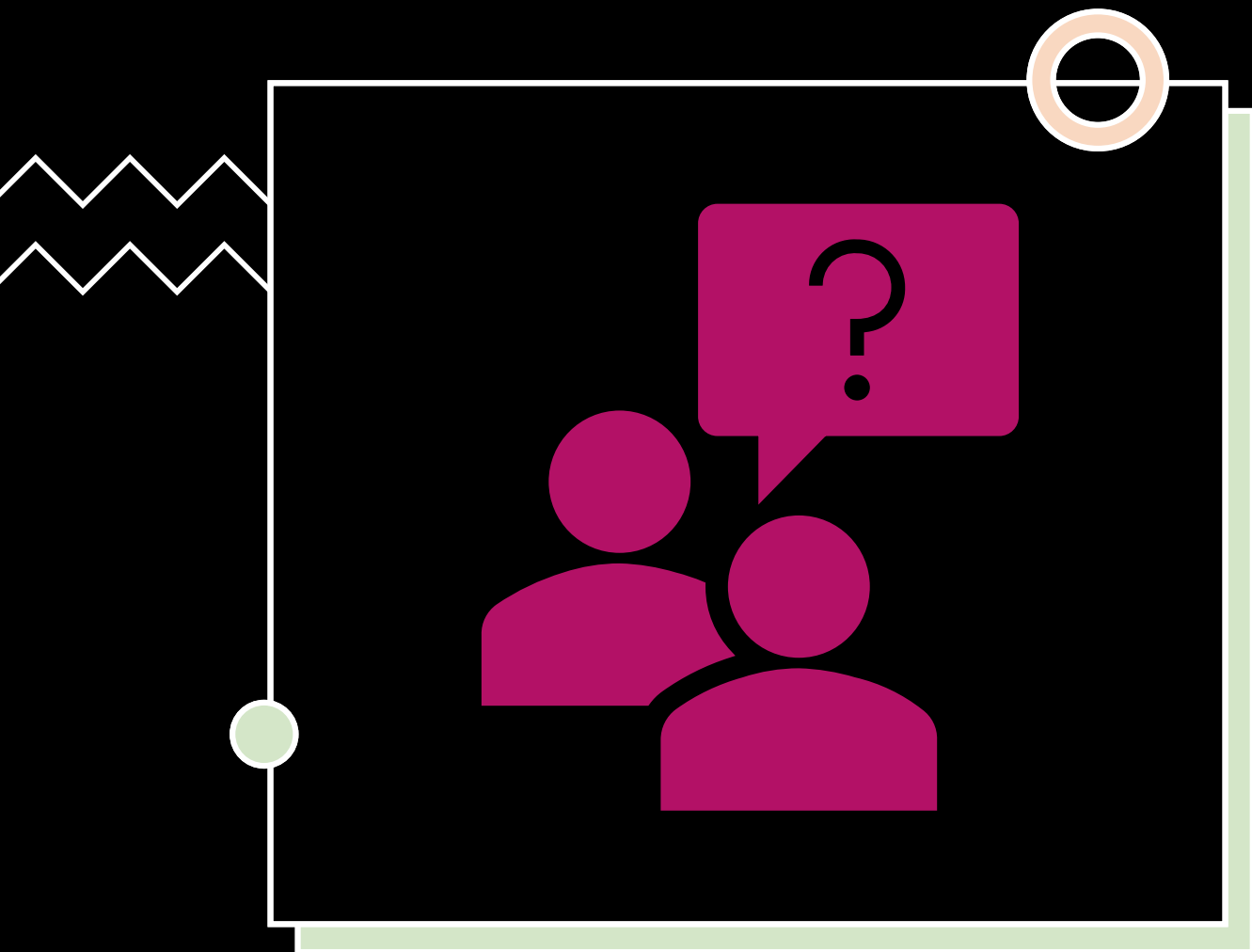
Spending from the Board's Capital Reserve of **\$120,350**



Max spending from the uncommitted reserve of **\$420,935**



Total Proposed Spending Authority of **\$7,506,460**



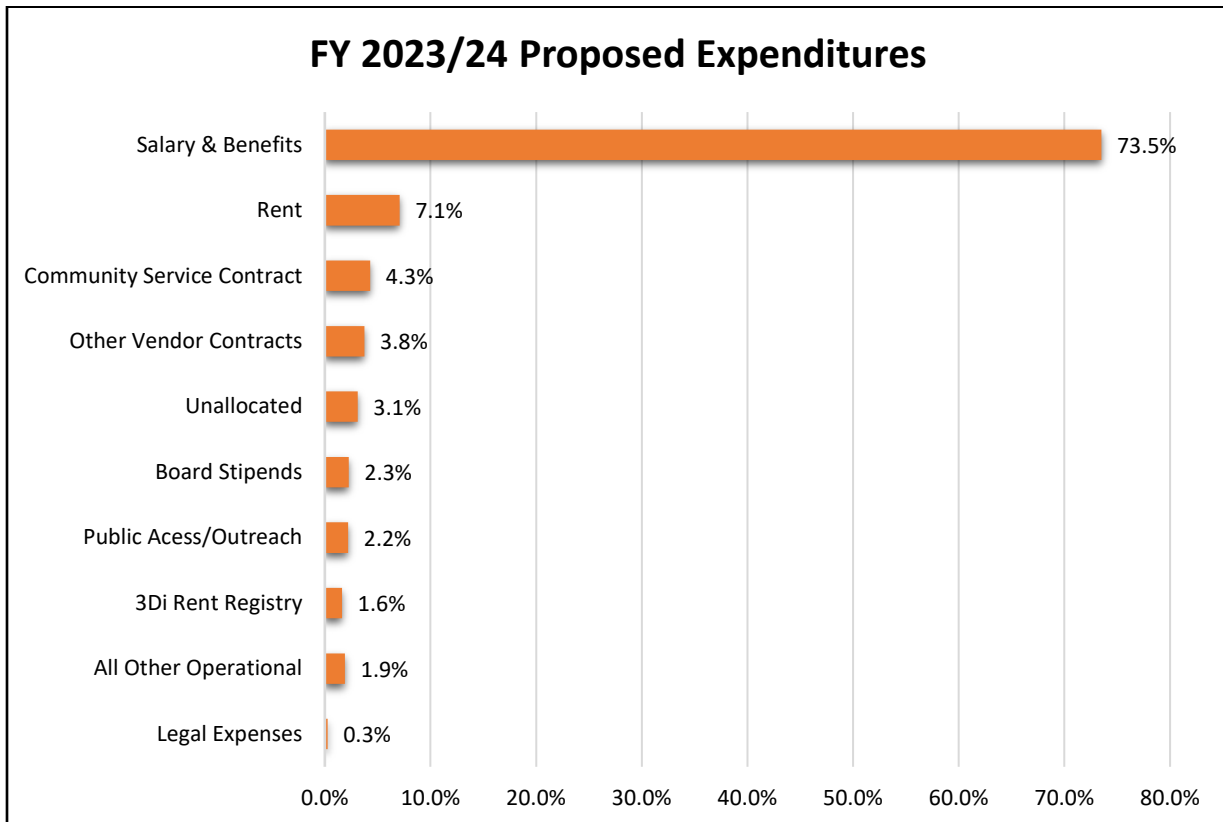
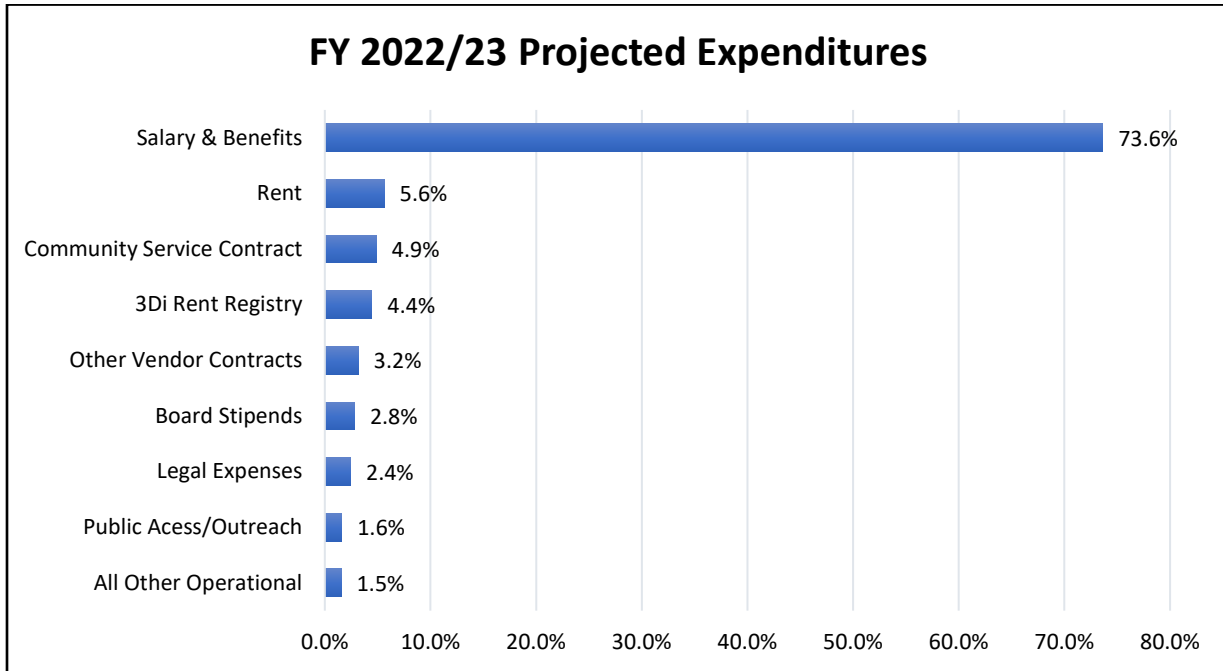
Questions





**Graphic Overview of Changes in Rent Board Expenditures**

The graphics below compare, in broad categories, how the Board budget was allocated in the current fiscal year and how it is allocated in the proposed budget.





## RENT BOARD POSITION DETAIL

Sorted by Unit, Classification and Job Assignment  
Budget Code 11-01 (Monthly Employees) + 11-03 (Hourly Employees)

FY 2023 Adopted		FY 2024 Proposed	
<b>Administration / Policy Unit</b>		<b>Administration / Policy Unit</b>	
Executive Director	1.00	Executive Director	1.00
Policy Director	1.00	Policy Director	1.00
Community Services Specialist II	1.00	Community Services Specialist II	1.00
Associate Management Analyst	1.00	Associate Management Analyst	1.00
Senior Planner	1.00	Senior Planner	1.00
Associate Planner	1.00	Associate Planner	1.00
Office Specialist II	1.00	Office Specialist II	1.00
<b>Subtotal for FTE</b>	<b>7.00</b>	<b>Subtotal for FTE</b>	<b>7.00</b>
		Salary/Benefit Total = \$1,321,000	
<b>Finance Unit</b>		<b>Finance Unit</b>	
Administrative & Fiscal Services Manager	1.00	Administrative & Fiscal Services Manager	1.00
Assistant Management Analyst	0.00	<b>Assistant Management Analyst</b>	<b>1.00</b>
Accounting Office Specialist III	0.00	<b>Accounting Office Specialist III</b>	<b>1.00</b>
<b>Subtotal for FTE</b>	<b>1.00</b>	<b>Subtotal for FTE</b>	<b>3.00</b>
		Salary/Benefit Total = \$565,000	
<b>Legal Unit</b>		<b>Legal Unit</b>	
General Counsel	1.00	General Counsel	1.00
Staff Attorney II	2.00	Staff Attorney II	2.00
<b>Subtotal for FTE</b>	<b>3.00</b>	<b>Subtotal for FTE</b>	<b>3.00</b>
		Salary/Benefit Total = \$940,000	
<b>Hearings Unit</b>		<b>Hearings Unit</b>	
Senior Hearing Examiner	1.00	Senior Hearing Examiner	1.00
Legal Secretary	1.00	Legal Secretary	1.00
<b>Subtotal for FTE</b>	<b>2.00</b>	<b>Subtotal for FTE</b>	<b>2.00</b>
		Salary/Benefit Total = \$435,000	
<b>Registration Unit</b>		<b>Registration Unit</b>	
Senior Management Analyst	1.00	Senior Management Analyst	1.00
Community Services Specialist II	1.00	Community Services Specialist II	1.00
Accounting Office Specialist III	1.00	<b>Accounting Office Specialist III</b>	<b>0.00</b>
Office Specialist III	1.00	Office Specialist III	1.00
Office Specialist II	2.00	Office Specialist II	2.00
<b>Subtotal for FTE</b>	<b>6.00</b>	<b>Subtotal for FTE</b>	<b>5.00</b>
		Salary/Benefit Total = \$768,000	
<b>Public Information Unit</b>		<b>Registration &amp; Public Information Units</b>	
Community Services Specialist III	1.00	Community Services Specialist III	1.00
Community Services Specialist II	5.00	Community Services Specialist II	5.00
Office Specialist II	1.00	Office Specialist II	1.00
<b>Subtotal for FTE</b>	<b>7.00</b>	<b>Subtotal for FTE</b>	<b>7.00</b>
		Salary/Benefit Total = \$1,215,000	
<b>Total RSB Staff</b>	<b>26.00</b>	<b>Total RSB Staff</b>	<b>27.00</b>

**Board Approved Changes in FY 2023 include the following:**

Create a 1.0 FTE Policy Director  
Eliminate a 1.0 FTE Deputy Director  
Increase Senior Management Analyst to 1.0 FTE  
Increase Community Services Specialist III to 1.0 FTE  
Add 1.0 FTE Administrative & Fiscal Services Manager

**Board Approved Changes for FY 2024:**

Move 1.0 FTE Accounting Office Specialist III from Registration Unit to Finance Unit  
Add 1.0 FTE Assistant Management Analyst to Finance Unit

## RESOLUTION 23-13

### ADOPTING THE FISCAL YEAR 2023-2024 BUDGET, STAFFING MODEL POSITION DETAIL, AND THE MAXIMUM EXPENDITURE LEVEL

**BE IT RESOLVED** by the Rent Stabilization Board of the City of Berkeley as follows:

**WHEREAS** the Rent Stabilization Board operates based on a fiscal year and each year adopts an operational budget after public review and input; and

**WHEREAS**, Section 123 of Article XVII of the Charter of the City of Berkeley provides that the Rent Stabilization Board shall finance its reasonable expenses by charging landlords annual registration fees in amounts deemed reasonable by the Board; and

**WHEREAS**, the Budget and Personnel Committee met five times in fiscal year 2022-2023 to monitor the budget and the Program's progress in meeting the goals established by the Board; and

**WHEREAS**, on March 16, 2023, after reviewing the available reserves and considering revenue needs for FY 2024, the Board voted to increase the annual registration fee for fully-covered units to \$290 per unit and the Measure MM or partially-covered unit fee to \$178 per unit; and,

**WHEREAS**, on June 1, 2023, the Budget and Personnel Committee and the Executive Director met and discussed a line-item operating budget and staffing model for FY 2023-2024 for the Board's consideration; and,

**WHEREAS**, the proposed operating budget (including contracts) for FY 2023-2024 authorizes new expenditures totaling \$7,506,460, which includes both recurring operational, capital needs and one-time expenditures related to the agency's relocation to a new office space; and

**WHEREAS**, the proposed budget for FY 2023-2024 includes up to \$60,350 authorized expenditures from the capital reserve for both the development of the 3Di Rent Registry; and

**RESOLUTION 23-13**

**ADOPTING THE FISCAL YEAR 2023-2024 BUDGET, STAFFING MODEL POSITION  
DETAIL, AND THE MAXIMUM EXPENDITURE LEVEL (Page 2)**

**WHEREAS**, the proposed budget for FY 2023-2024 also includes up to \$60,000 in authorized expenditures from the capital reserve to pay for the digitization of the Rent Board's property files; and

**WHEREAS**, after reviewing the current workload and filled positions along with the goals and objectives for FY 2023-2024 articulated by the Board, the Executive Director, and the Budget and Personnel Committee, the Board believes that it is necessary to maintain a staffing level of at least 27.0 career Full-Time Equivalents (FTE's).

**NOW, BE IT RESOLVED** that an overall spending level totaling \$7,506,460 (\$7,026,110 in recurring operational and special projects, unallocated funding of \$233,000 for possible expenditures related to the agency's office relocation, and \$120,750 in funding from the capital reserve) and a staffing level of 27.0 FTE's is hereby adopted for the Fiscal Year 2023-2024.

Dated: June 15, 2023

Adopted by the Rent Stabilization Board of the City of Berkeley by the following vote:

YES:

NO:

ABSTAIN:

ABSENT:

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Leah Simon-Weisberg, Chair  
Rent Stabilization Board

Attest: \_\_\_\_\_  
DéSeana Williams, Executive Director