



Rent Stabilization Board

RENT STABILIZATION BOARD

DATE: June 16, 2022

TO: Honorable Members of the Berkeley Rent Stabilization Board

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

SUBJECT: Proposed Increase to Commissioners' Monthly Stipend & Overall Compensation

Recommendation

That the Board adopt Resolution 22-12 authorizing the following adjustments to Rent Board Commissioner's compensation:

1. Increase the Commissioners' monthly stipend amount from \$500 to \$811.23 per month beginning in July of 2022; and
2. Adjust the Commissioners' monthly stipend annually for inflation beginning January of 2023, in an amount based on the Consumer Price Index - All Urban Consumers in the San Francisco-Oakland-San Jose Region averaged for the 12-month period ending June 30 of the prior year, as determined and published by United States Department of Labor; and
3. Provide all current Commissioners with a \$2,500 technology stipend in July of 2022 and all future Commissioners with the same technology stipend immediately following their assumption of office; and
4. Each Commissioner shall be entitled to a new technology stipend every four years from the date they initially receive their technology stipend during the period they serve as an active Commissioner; and
5. The technology stipend shall be adjusted annually for inflation starting in January of 2024, in an amount based on the Consumer Price Index - All Urban Consumers in the San Francisco-Oakland-San Jose Region averaged for the 12-month period ending June 30 of the prior year, as determined and published by the United States Department of Labor.

Background

The Budget & Personnel Committee has discussed bringing a proposal to the full Board that Commissioner's stipends be adjusted upward during several of its meetings in FY 2021/22. The Rent Ordinance and City Charter state that the "Board shall be a working Board."¹ The Rent Ordinance also makes clear that the "Commissioners shall be paid compensation and benefits in an amount set by the board in order to compensate commissioners for their time and work performed as required by this chapter and the city charter."²

At its September 25, 1985 Board meeting, Commissioners adopted a motion to receive \$500 as a monthly stipend for work associated with their duties as elected members of the Rent Board. On June 5, 1989, the Board adopted Resolution 89-6, which authorized payment of Commissioners' medical and dental payments from the Board's budget. Since January 1997, Commissioners have been eligible for cash-in-lieu payments rather than receiving medical benefits. The \$500 monthly stipend, however, has not increased since it was established in 1985.

At the May 17, 2022 Budget & Personnel Committee meeting, Commissioners requested that staff prepare a spreadsheet illustrating the increase to the \$500 monthly stipend had it been increased each year starting in the following years: 1985, 2003, and 2013.³ Staff provided examples of inflation increases beginning in January of 1987 and January 1988, because attaching the increase in 1987 would adjust for inflation that took place before the monthly stipend was initially established. The spreadsheet with the CPI increase information is attached to this memo.

At their June 6, 2022 meeting, the Board's Ad Hoc Committee on Rent Stabilization Board Technology Issues discussed the creation of a technology stipend that would provide funding for Commissioners to use for the purchase of computer hardware and peripherals in support of their work as elected or appointed Rent Board Commissioners. The Ad Hoc Committee ultimately recommended the Board establish a technology stipend of \$2,500 that would be disbursed immediately to active Commissioners and to all future Commissioners as soon as they assume office. Commissioners would then be entitled to a further technology stipend every four years from the date they initially received the stipend.

The Budget & Personnel Committee, after reviewing the CPI information attached to this memo and then discussing the Ad Hoc Committee's recommendation, voted unanimously to recommend that the Board increase the Commissioner's monthly stipend to \$811.23 per month, which is the amount the stipend would be had it been increased by inflation beginning in January of 2003.

¹ See Charter, Article XVII, Section 123(2) and Berkeley Municipal Code Section 13.76.060K.

² Berkeley Municipal Code Section 13.76.060K.

³ For purposes of this report, staff prepared the spreadsheet to illustrate changes that would have taken effect starting in 1987/1988 given the way the CPI would be calculated from the date it was adopted on September 25, 1985.

The Budget & Personnel Committee also voted to recommend the Board adopt the Ad Hoc Rent Stabilization Board Technology Issue's Committee's recommendation to create a \$2,500 technology stipend that is disbursed to all active Commissioners in July of 2022 and to all future Commissioners immediately following their assumption of office. The Committee also recommended that Commissioners be entitled to a further technology stipend every four years from the date they initially received their technology stipend.

The Budget and Personnel Committee proposed that both the monthly stipend and periodic technology stipend be annually adjusted for inflation. The proposed inflationary adjustment is based on increases in the Consumer Price Index - All Urban Consumers in the San Francisco-Oakland-San Jose Region averaged for the 12 months ending June 30 of the prior year, as determined and published by the United States Department of Labor. The Budget & Personnel Committee chose this measurement because it is the same one referenced to calculate the AGA. The Budget & Personnel Committee recommends the inflationary adjustment start at the beginning of January 2023 for the Commissioner's monthly stipend and the beginning of January of 2024 for the periodic technology stipend.

Financial Impact:

Increasing the monthly Commissioner stipend and then adjusting it for inflation starting in January of 2023 would require the expenditure of an additional \$40,000 in FY 2022/23. The creation of a \$2,500 technology stipend would require between \$30,000 and \$32,500 in additional expenditures in FY 2022/23.

Based upon the proposed budget included elsewhere in your agenda package, there are sufficient funds to cover this amount in the Fiscal Year 2022/2023 budget.

Attachments:

1. Rent Board Commissioner Stipend CPI Increase Examples
2. Proposed Resolution 22-12 modifying Commissioners' compensation

Rent Board Commissioner Stipend CPI Increase Examples

Stipend Year	July to June CPI Increase	First Year with CPI Increase			
		1987	1988	2003	2013
1985	N/A				
1986	4.5%	\$500.00			
1987	3.2%	\$516.00	\$500.00		
1988	2.8%	\$530.45	\$514.00		
1989	4.4%	\$553.79	\$536.62		
1990	5.1%	\$582.03	\$563.98		
1991	4.3%	\$607.06	\$588.23		
1992	4.6%	\$634.98	\$615.29		
1993	3.1%	\$654.67	\$634.37		
1994	3.0%	\$674.31	\$653.40		
1995	1.4%	\$683.75	\$662.55		
1996	2.4%	\$700.16	\$678.45		
1997	2.3%	\$716.26	\$694.05		
1998	3.1%	\$738.47	\$715.57		
1999	3.4%	\$763.57	\$739.90		
2000	3.8%	\$792.59	\$768.01		
2001	4.2%	\$825.88	\$800.27		
2002	6.6%	\$880.39	\$853.09	\$500.00	
2003	1.2%	\$890.95	\$863.32	\$506.00	
2004	1.6%	\$905.21	\$877.14	\$514.10	
2005	1.4%	\$917.88	\$889.42	\$521.29	
2006	1.1%	\$927.97	\$899.20	\$527.03	
2007	3.9%	\$964.17	\$934.27	\$547.58	
2008	3.4%	\$996.95	\$966.03	\$566.20	
2009	4.2%	\$1,038.82	\$1,006.61	\$589.98	
2010	0.2%	\$1,040.90	\$1,008.62	\$591.16	
2011	1.1%	\$1,052.35	\$1,019.72	\$597.66	
2012	2.4%	\$1,077.60	\$1,044.19	\$612.01	\$500.00
2013	2.6%	\$1,105.62	\$1,071.34	\$627.92	\$513.00
2014	2.6%	\$1,134.37	\$1,099.19	\$644.24	\$526.34
2015	3.0%	\$1,168.40	\$1,132.17	\$663.57	\$542.13
2016	2.3%	\$1,195.27	\$1,158.21	\$678.83	\$554.60
2017	2.7%	\$1,227.54	\$1,189.48	\$697.16	\$569.57
2018	3.5%	\$1,270.51	\$1,231.11	\$721.56	\$589.51
2019	3.9%	\$1,320.06	\$1,279.13	\$749.70	\$612.50
2020	3.2%	\$1,362.30	\$1,320.06	\$773.69	\$632.10
2021	1.6%	\$1,384.10	\$1,341.18	\$786.07	\$642.21
2022	3.2%	\$1,428.39	\$1,384.10	\$811.23	\$662.76

RESOLUTION 22-12

REVISING BOARD RESOLUTION 14-16 CONCERNING COMMISSIONERS' STIPENDS TO ACCOUNT FOR MISSED MEETINGS, CLARIFY RULES AND POLICIES REGARDING MEETING SCHEDULES AND COMMISSIONERS' STIPEND AND OTHER COMPENSATION AND ESTABLISHING THAT EMAIL SHALL BE THE FORM OF COMMUNICATION FROM STAFF TO COMMISSIONERS FOR ALL OFFICIAL BOARD BUSINESS

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

- 1. WHEREAS, the Berkeley Rent Ordinance (Berkeley Municipal Code (BMC) Chapter 13.76) provides that the Berkeley Rent Stabilization Board “shall be a working board” and that the Commissioners shall receive “compensation and benefits in an amount set by the board in order to compensate commissioners for their time and work performed as required by” Article XVII of the Charter of the City of Berkeley (BMC sec. 13.76.060.K); and**
- 2. WHEREAS, according to Government Code section 54954, the Brown Act, a legislative body must provide the time and place for holding regular meetings; and**
- 3. WHEREAS, the rules and policies regarding Rent Board meetings, compensation, and benefits are presently contained in several Rent Board resolutions and motions spanning more than 30 years; and**
- 4. WHEREAS, the Rent Board presently desires to revise its rules regarding deductions from their stipend for missing meetings and, on October 17, 2011, approved a procedure for publicizing records of Commissioners' attendance at regular, special, and committee meetings; and**
- 5. WHEREAS, the Rent Board is committed to remaining accountable to the public and especially the citizens of the City of Berkeley; wishes to provide incentives to Commissioners for active participation in the work of the Rent Board; but does not intend to change any of the benefits to which Commissioners are presently entitled; and**
- 6. WHEREAS, the work of the Board may be impeded by frequent absences from Board and Committee meetings; and**
- 7. WHEREAS, it will serve the interests of the Rent Board and the public to gather all rules and policies regarding meeting schedules, meeting attendance, stipends, deductions from stipends, and benefits into a single document; and**
- 8. WHEREAS, at its September 25, 1985 meeting, the Board approved a motion to establish a \$500 monthly stipend as appropriate compensation for Commissioners, which compensation has not been raised since, and to deduct from a Commissioner's stipend \$50 for each regular meeting missed per month; and**

9. WHEREAS, by Resolution 92-14, the Board amended the September 25, 1985 motion to further refine when a stipend deduction was appropriately made; and
10. WHEREAS, the Board held two regular monthly meetings until 2005, and then adopted Resolution 05-27, which changed the regular meeting schedule to one full Board meeting per month with an extra day reserved for special meetings; and
11. WHEREAS, when the Board reduced the monthly meeting schedule to one per month, it did so specifically to allow Commissioners time to perform work during the regular committee meetings and, in fact, Commissioners do the majority of their work at the regular monthly Board and various committee meetings; and
12. WHEREAS, in addition to attending Rent Board meetings, Rent Board Commissioners are also expected to perform constituent work and undertake numerous other duties associated with holding a public office; and
13. WHEREAS, prior to the adoption of Resolution 11-20, nothing was deducted from a Commissioner's monthly stipend for absence from any of the Board's various committee meetings; and
14. WHEREAS, on April 20, 1987, the Rent Board Commissioners adopted Resolution No. 87-102, to place Commissioners on the City's payroll effective May 1, 1987; and
15. WHEREAS, on July 20, 1987, the Rent Board adopted Resolution 87-112 authorizing Commissioners to join the City's medical and dental plans, at their own expense, but at the rates negotiated by the City; and
16. WHEREAS, on June 5, 1989, the Rent Board adopted Resolution 89-6, which authorized the payment of medical and dental benefits for Commissioners from the Rent Stabilization Program budget; and
17. WHEREAS, in November 1994, Council voted to authorize Councilmembers to receive cash-in-lieu payments in lieu of receiving medical benefits; and
18. WHEREAS, some Rent Board Commissioners receive medical or dental insurance coverage under health insurance programs provided by a third party, independent of their position as Commissioners; and
19. WHEREAS, on January 13, 1997, the Rent Board's Chief Counsel issued an opinion concluding that the Rent Board authorized payments in lieu of receiving medical benefits for Commissioners in Resolution 89-6; and thereafter, some Commissioners received cash-in-lieu payments without interruption in reliance on said opinion; and
20. WHEREAS, following a City Attorney opinion and a City Auditor determination that Commissioners were not entitled to continue receiving cash-in-lieu payments without first adopting a resolution explicitly authorizing such compensation, the Rent Board authorized cash-in-lieu payments by adopting Resolution 07-18 on November 19, 2007; and

21. WHEREAS, in Resolution 07-18, the Board also clarified its intent regarding the maximum level of compensation and benefits to which Board Commissioners are entitled; and
22. WHEREAS, Resolution 11-20, the Board repealed Resolutions 92-14, 05-27 and 07-18 and reenacted new rules and procedures; and
23. WHEREAS, the Board adopted Resolution 14-16 on November 20, 2014, which revised Resolution 11-20;
24. NOW, THEREFORE, BE IT RESOLVED that Resolution 14-16 is hereby revised to specifically adjust Commissioners' compensation; and
25. BE IT FURTHER RESOLVED that the Berkeley Rent Stabilization Board establishes its regular meetings are held in the Berkeley Unified School District Board Room located at 1231 Addison Street, at 7:00 p.m. on the third Thursday of each month, unless the Thursday falls on a City of Berkeley holiday or major religious holiday, in which case the Rent Board shall select a different date when it adopts its annual schedule of anticipated regular meetings each December; and
26. BE IT FURTHER RESOLVED that the Rent Board regular meeting calendar be established and voted on annually, to provide Commissioners with ample advance notice of the dates of regular Board meetings with the expectation that they will plan to attend the meetings; and
27. BE IT FURTHER RESOLVED that the Rent Board may, from time to time, cancel or reschedule a regular meeting, usually by announcing the cancellation at a regular meeting; and
28. BE IT FURTHER RESOLVED that the Rent Board may, with proper notice, call special meetings if the need arises to supplement the regular meeting schedule; and
29. BE IT FURTHER RESOLVED that Rent Board Commissioners will receive the following compensation and benefits:
 1. An \$811.23 stipend per month beginning July of 2022, subject to deductions for meetings missed as set forth below; and
 2. The stipend identified herein shall be adjusted January 1 of each year beginning in 2023 in an amount based on the Consumer Price Index - All Urban Consumers in the San Francisco-Oakland-San Jose Region averaged for the 12-month period ending June 30 of the prior year, as determined and published by United States Department of Labor; and
 3. All current Commissioners shall further be entitled to a technology stipend of \$2,500 every four years to purchase computer hardware and peripherals in support of their work as Rent Board Commissioners beginning July 1, 2022; and
 4. All future Commissioners shall be entitled to a technology stipend of \$2,500 to purchase computer hardware and peripherals in support of their work as Rent Board Commissioners immediately following their assumption of office, or as

- soon thereafter as is administratively feasible, and every four years thereafter;
and
5. The Board Secretary shall maintain records of when each active Commissioner last received their technology stipend, and the Executive Director shall authorize the amount identified in subparagraphs 3 and 4 of this section for each active Commissioner four years from the date of the distribution of the individual Commissioner's previous technology stipend; and
 6. The technology stipend identified herein shall be adjusted January 1 of each year beginning in 2024 in an amount based on the Consumer Price Index - All Urban Consumers in the San Francisco-Oakland-San Jose Region averaged for the 12-month period ending June 30 of the prior year, as determined and published by United States Department of Labor; and
 7. The same benefits as those provided to City of Berkeley Councilmembers and the Mayor, and in accordance with City of Berkeley policy, which benefits presently include:
 - a. Payment of monthly premiums for medical and dental insurance programs offered to City of Berkeley employees or, in accordance with City policy, for eligible Commissioners who elect not to receive the City's medical or dental insurance coverage, a cash payment equal to the amount the City pays its employees who elect to receive cash in lieu of City-paid medical or dental insurance coverage;
 - b. Discounted YMCA membership;
 - c. Transit pass/subsidy.
30. BE IT FURTHER RESOLVED that for purposes of attendance, a Commissioner shall be considered to have attended a meeting if he or she is present for at least one hour of the meeting or 50% of the duration of the meeting, if the meeting lasts less than two hours; and
31. BE IT FURTHER RESOLVED that properly-noticed participation via teleconference is considered attendance. For purposes of compensation and reporting, the Board member will be considered "present" even if s/he is unable to actually participate by teleconference due to technical difficulties; and
32. BE IT FURTHER RESOLVED that a Commissioner being out of the City of Berkeley while on Board business on the day of the meeting shall for purposes of compensation and reporting, be considered "present"; and
33. BE IT FURTHER RESOLVED that absences for which no penalty will be assessed are those that occur when the Commissioner informs the Board or Committee, at the time the regular, special, or committee meeting is being scheduled, that he or she will be unable to attend. Once the meeting has been scheduled, the staff will send formal notification of the time and date to commissioners via email. If the Commissioner was absent when the meeting was scheduled or informs the Board chair, Committee chair or an appropriate staff member within three days of formal notification that he or she will be unable to attend, no penalty will be assessed; and

- 34. BE IT FURTHER RESOLVED** that for every regularly-scheduled monthly Rent Board meeting missed in a calendar year, the penalties shall be as follows:
- First meeting missed – Commissioner’s stipend shall not be reduced for that month,
 - Second meeting missed – Commissioner’s stipend shall not be reduced for that month
 - Third meeting missed – Commissioner’s stipend shall be reduced by 20% for that month,
 - Fourth meeting missed and all meetings missed thereafter – Commissioner will not receive a stipend for that month; and,
- 35. BE IT FURTHER RESOLVED** that a Commissioner will have his or her stipend reduced by 10% for failure to attend a Special meeting of the full Rent Board unless the Commissioner notified the Board of the necessary absence by the appropriate time (as detailed above); and
- 36. BE IT FURTHER RESOLVED** that a Commissioner is expected to serve on a minimum of two of the Rent Board’s committees, but if the Commissioner chooses not to serve on at least two committees, he or she will have his or her stipend reduced by 20% per month; and
- 37. BE IT FURTHER RESOLVED** that Committees are expected to set meetings at a time agreed upon by all members unless a delay would impede time-sensitive work; and
- 38. BE IT FURTHER RESOLVED** that for every Committee meeting missed in one calendar month, unless the Commissioner notified the Board of the necessary absence by the appropriate time (as detailed above), the Commissioner’s stipend shall be reduced as follows:
- First meeting missed – Commissioner’s stipend shall be reduced by 10% for that month,
 - Second meeting missed – Commissioner’s stipend shall be reduced by a total of 20% for that month,
 - Third meeting missed and all meetings missed thereafter in that month – Commissioner’s stipend shall not be reduced further; and,
- 39. BE IT FURTHER RESOLVED** that when a Regular, Special or Committee meeting is canceled for lack of a quorum, those Commissioners in attendance or who notified the Board by the appropriate time (as detailed above) shall not be considered absent for purposes of compensation. Commissioners who failed to attend the meeting and did not notify the Board by the appropriate time shall be considered absent and have the same stipend reductions as above apply; and

- 40. BE IT FURTHER RESOLVED that in extraordinary circumstances, a Commissioner may have his or her stipend restored, by a majority vote of the Board at a regularly-scheduled monthly meeting; and**
- 41. BE IT FURTHER RESOLVED that the Commissioners direct the Board staff to publish Commissioners' attendance records for all Rent Board meetings (Regular, Special and Committee) from December 2010 to the present as soon as is reasonably possible, and to have those records posted to the Rent Board website; and**
- 42. BE IT FURTHER RESOLVED that each Commissioner's attendance records for all Rent Board meetings (Regular, Special, and Committee) shall thereafter be published quarterly and posted to the website on the following schedule:**
- **January, February and March attendance records to be published in April,**
 - **April, May and June attendance records to be published in July,**
 - **July, August and September attendance records to be published in October, and**
 - **October, November and December attendance records to be published in January;**
- 43. BE IT FURTHER RESOLVED that each Commissioner's attendance will be published as "Present", "Absent", or "Absent with Compensation" beginning February 16, 2012. Commissioners may add an explanation for publication in the official attendance records regarding their absences; and,**
- 44. BE IT FURTHER RESOLVED that this Resolution shall take effect November 20, 2014, and any meetings missed thereafter shall count against a Commissioner for the purpose of deductions from the stipend; and**
- 45. BE IT FURTHER RESOLVED that communications on all official Board business from staff to Commissioners, including formal notification of meetings, shall be by email. Commissioners will provide staff with one preferred email address which they agree to check on a regular basis; and**
- 46. BE IT FINALLY RESOLVED that nothing in this Resolution shall in any way define whether or not a Commissioner has "ceased to discharge the duties of his or her office" as stated in Government Code Section 1770(g).**

Dated:

Adopted by the Rent Stabilization Board by the following vote:

Yes:

No:

Abstain:

Absent:

Resolution revising rules re: Board Compensation and Attendance
Page 7

Leah Simon-Weisberg, Chairperson
Rent Stabilization Board

Attest: _____
DeSeana Williams
Executive Director