



BUDGET & PERSONNEL COMMITTEE MEETING

Wednesday, May 27, 2026 – 5:30 p.m.

Berkeley Rent Board Conference Room A – 2000 Center Street, 4th floor, Berkeley, CA 94704

Public Participation

This meeting will be conducted in a hybrid model with both in-person and remote participation, and in accordance with Government Code Section 54953 and all current state and local requirements allowing public participation in meetings of legislative bodies. Any member of the public may attend this meeting at the posted location(s). Questions regarding this matter may be addressed to DéSeana Williams, Executive Director of the Rent Board, at 510-981-7368 (981-RENT). The Committee may take action related to any subject listed on the Agenda.

To access this meeting by Zoom

[Join from a PC, Mac, iPad, iPhone, or Android device](#). If you do not want your name to appear on the screen, use the drop-down menu and click on "Rename" to rename yourself as anonymous. To request to speak, use the "Raise Hand" icon by rolling over the bottom of the screen.

To join by phone

Dial 1-669-900-6833, enter Webinar ID: 885 7373 5343 and Passcode: 755169. To comment during the public comment part of the agenda, Press *9 and wait to be recognized by the Committee Chair.

Email comments

Email comments must be submitted to DeWilliams@berkeleyca.gov by **3:30 p.m.** on the day of the meeting in order to be considered by the Committee and included in the public record. Format your subject line: "PUBLIC COMMENT ITEM FOR BUDGET & PERSONNEL COMMITTEE." Please observe a 150-word limit. Time limits on public comments will apply.

Decorum

All rules of procedure and decorum apply for both in-person attendees and those participating remotely. Attendees at public meetings are reminded that other attendees may be sensitive to various scents. Please help the City respect these needs.

Communications access information

All rules of procedure and decorum apply for both in-person attendees and those participating remotely. Attendees at public meetings are reminded that other attendees may be sensitive to various scents. Please help the City respect these needs.



AGENDA: BUDGET & PERSONNEL COMMITTEE MEETING

Wednesday, May 27, 2026 – 5:30 p.m.

Berkeley Rent Board Conference Room A – 2000 Center Street, 4th floor, Berkeley, CA 94704

1. Roll Call
2. Land Acknowledgment Statement: *The Berkeley Rent Stabilization Board recognizes that the rental housing units we regulate are built on the territory of xučyun (Huchiun-(Hooch-yoon)), the ancestral and unceded land of the Chochenyo (Cho-Chen-yo)-speaking Ohlone (Oh-low-nee) people, the ancestors, and descendants of the sovereign Verona Band of Alameda County. This land was and continues to be of great importance to all of the Ohlone Tribes and descendants of the Verona Band. As we begin our meeting tonight, we acknowledge and honor the original inhabitants of Berkeley, the documented 5,000-year history of a vibrant community at the West Berkeley Shellmound, and the Ohlone people who continue to reside in the East Bay. We recognize that Berkeley's landlords and tenants have and continue to benefit from the use and occupation of this unceded stolen land since the City of Berkeley's incorporation in 1878 and since the Rent Stabilization Board's creation in 1980. As stewards of the laws regulating rental housing, it is not only vital that we recognize the history of this land but also recognize that the Ohlone people are present members of Berkeley and other East Bay communities today.*
3. Approval of agenda
4. Public Comment
5. Approval of the February 3, 2026, meeting minutes (attached to agenda)
6. Discussion and Possible Action regarding Recommendation to full Board on the Adoption of a Fiscal Year (FY) 2026/27 Line-Item Budget, Staffing Model & Expenditure Level (See Attached Staff Report). Finance Director- Shamika Cole
7. Discussion and Possible Action on the proposed Executive Salary Policy (See attached Staff Report) Executive Director- DéSeana Williams
8. Future agenda items
9. Discussion and possible action to set the next meeting
10. Adjournment

STAFF CONTACT: DéSeana Williams, Executive Director (510) 981-7368

COMMITTEE: Committee Chair Dominique Walker, Soli Alpert, Andy Kelley, Nathan Mizell

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BUDGET & PERSONNEL COMMITTEE MEETING

Tuesday, February 3, 2026 – 5:30 p.m.

Berkeley Rent Board Conference Room B – 2000 Center Street, Ste. 400 (4th floor), Berkeley, CA

MINUTES TO BE APPROVED

1. Roll Call Staffer DeSeana Williams called Roll at 5:37 p.m.
Members Present: Mizell, Alpert, Committee Chair Walker, Kelley.
Staff Present: D. Williams, S. Cole.
2. Land Acknowledgment Statement: The Recording of the Land Acknowledgment Statement was played.
3. Approval of agenda: Committee Member Alpert moved to amend the agenda by moving item 8 before item 6. Motion to approve the amended agenda. M/S/C (Alpert/Mizell). YES: 4; NO: None; ABSTAIN: None; ABSENT: None. Motion Carried: 4-0-0-0.
4. Public Comment No public comment
5. Approval of the January 20, 2026, meeting minutes (attached to agenda) M/S/C (Mizell/Kelley). YES: 4; NO: None; ABSTAIN: None; ABSENT: None. Motion Carried: 4-0-0-0.
6. Discussion and possible action to recommend a Rent Board Operating Reserve Policy (Executive Director). Report attached. M/S/C (Kelley/Walker). YES: 4; NO: None; ABSTAIN: None; ABSENT: None. Motion Carried: 4-0-0-0. The Executive Director presented the proposed Reserve Policy to the Committee. Two recommended changes were requested by Commissioner Alpert. Motion to approve a new Rent Board Reserve Policy with recommended changes.
7. FY 26/27 Fee Model Discussion. Presentation (Finance Director): The Finance Director presented the discussion on the FY2027 Registration Fee. No Action Taken.
8. Discussion and possible action to set Fiscal Year 2027 Registration Fee. Report attached (Finance Director). Motion to approve the Fee recommendation of FY 27, all-in, plus the 20% Reserve. Commissioner Alpert motioned to bring the fee with clarification of all financial implications, further research, and the OS III. M/S/C (Mizell/Alpert). YES: 4; NO: None; ABSTAIN: None; ABSENT: None. Motion Carried: 4-0-0-0. The Finance Director presented additional Fee information and discussed different Fee models that included various financial considerations for the committee to assess.
9. Update of Project Data System RFP - Verbal (Executive Director) The Executive Director provided a verbal update on the RFP process for a Rent Board data and housing services system. No Action Taken.
10. Future agenda items Commissioner Alpert requested two future agenda items, and Commissioner Kelley requested an additional future agenda item.



- a. Executive Salary Policy
 - b. Researching a policy or the need to have a policy regarding the ratio (difference) between fully covered and partially covered fees
 - c. An analysis of the Rent Board Staffing as it relates to continuity and attrition
11. Discussion and possible action to set the next meeting. The next Budget and Personnel Committee meeting is set for Tuesday, April 7, 2026 @ 5:30 pm
12. Adjournment Motion to adjourn M/S/C (Alpert/Kelley). YES: 4; NO: None; ABSTAIN: None; ABSENT: None. Motion Carried: 4-0-0-0. Meeting adjourned at 7:29 pm

STAFF CONTACT: DéSeana Williams, Executive Director (510) 981-7368
COMMITTEE: Committee Chair Dominique Walker, Soli Alpert, Andy Kelley, Nathan Mizell



RENT STABILIZATION BOARD

DATE: May 27, 2026

TO: Honorable Members of the Budget & Personnel Committee

FROM: DéSeana Williams, Executive Director
Shamika Cole, Finance Director

SUBJECT: Recommendation to Board on FY 2026/27 Line-Item Budget, Staffing Model & Expenditure Level

Recommendation:

That the Budget & Personnel Committee recommends the Board adopt a resolution to approve the FY 2026/27 line-item budget, which includes a staffing model of 31.0 full-time equivalent (FTE) career positions. The proposed budget authorizes total expenditures of \$10,279,370, including \$1,105,600 designated for the agency's new data system and outside legal counsel.

The FY 2026/27 proposed budget also allocates funding for one-time capital improvement needs and positions the agency to address upcoming accessibility requirements, as well as anticipated operational and technology needs.

Background and Need for Rent Board Action

In accordance with legal requirements, the Board must adopt a staffing model and authorize maximum expenditures for FY 2026/27 by June 30. The Budget & Personnel Committee is charged with reviewing budgetary matters and providing recommendations to the full Board regarding adoption of the annual budget.

During the fiscal year, the Committee convened five times to review the agency's financial status, evaluate the proposed staffing model, and assess projected revenues and expenditures for FY 2026/27.

At its March 5, 2026 meeting, the Board received the FY 2025/26 mid-year budget update, including information related to anticipated expenditure increases and projected funding needs. Based on the Committee's recommendation, the Board approved an increase to the annual registration fee structure for FY 2026/27 to \$397 per fully covered unit, \$244 per partially covered unit, and \$120 per sorority and fraternity unit. The approved fee structure continues to apply to all registered units, including those newly subject to Measure BB.

Consistent with staff's recommendation, the Committee determined that the revised fee structure would generate sufficient revenue to support agency operations and anticipated expenditures in FY 2026–27, while maintaining the agency's long-term fiscal stability.

Update on Measure BB Registration

Since the implementation of Measure BB, staff have identified approximately 1,025 covered units. Of those, 635 units are currently registered and in compliance with registration requirements. Total revenue collected for the FY 2025/26 registration period is approximately \$155,000. Staff will continue to monitor and report on changes in the number of registered units each fiscal year.

Fiscal Year 2024/25 Year-End Fund Balance

The Board's FY 2024/25 adopted budget totaled \$8,332,918, while actual expenditures were \$7,346,113, resulting in expenditures coming in \$986,805 below budget. This variance was primarily attributable to personnel savings associated with unanticipated vacancies, as well as the implementation of a more refined and strategically aligned budgeting methodology.

Revenue exceeded projections by approximately \$308,780, driven largely by higher-than-anticipated penalty revenue collections and improved rent registry compliance efforts.

As a result, the Board ended FY 2024/25 with a year-end fund balance of \$1,898,105 (accrual basis) as of June 30, 2025. The uncommitted reserve represented approximately 22% of projected recurring expenditures, exceeding the Board's best practice reserve target of 16%.

The City of Berkeley engaged an external auditor to conduct the annual financial audit, and the audit of the Board's FY 2024/25 financial statements was completed during FY 2025/26.

3rd Quarter Update on FY 2025/26 Budget Status and Year-End Projections

As of the end of the third quarter of FY 2025/26 (March 31, 2026), the agency had generated total revenue of \$9,434,848 and incurred total expenditures of \$5,472,566. Staff currently project total FY 2025/26 expenditures to be approximately \$8.3 million, with total revenue expected to exceed \$9.8 million. Based on current trends, the agency anticipates ending the fiscal year with an operating surplus of approximately \$1.4 million. This improved budgetary outlook is primarily attributable to improved fiscal operations, personnel savings resulting from unfilled positions, stronger-than-anticipated registration revenue, a significant increase in penalty collections.

In addition, the Board will have expended approximately \$558,420 in one-time costs associated with the continued development of the 3Di Rent Registry system, outside legal services, and the initial development of the new Comprehensive Rental Information and Housing Services Management System.

Increased Registration Penalty Collection

In FY 2025/26, registration penalty revenue has exceeded \$766,000 to date and is projected to surpass \$800,000 by fiscal year-end. This continued growth reflects the impact of the agency's ongoing efforts to strengthen collections and improve compliance, including targeted outreach, enhanced monitoring, and enforcement activities.

While additional opportunities remain to further improve compliance and collection efforts, the current results demonstrate meaningful progress in increasing revenue recovery. In FY 2026/27, staff will continue refining these processes, evaluating additional compliance strategies, and providing regular updates to the Budget & Personnel Committee and the Board on the status of these ongoing efforts.

Administration of the Empty Homes Tax Ordinance

The Board has agreed to continue its support for the City of Berkeley in the implementation and administration of the voter-approved Empty Homes Tax (B.M.C. Chapter 7.54), which took effect on January 1, 2024. For FY 2025/26, the City Council allocated \$332,920 in Measure U1 funds to the Rent Board to support this work, and staff anticipate a similar allocation for FY 2026/27.

These funds support personnel costs for staff responsible for implementing the Empty Homes Tax, conducting outreach, and developing the systems and reporting tools necessary to identify potentially vacant units. This foundational work enabled the issuance of the initial Empty Homes Tax bills for the 2024 calendar year, which were sent in FY 2025/26.

Looking ahead to FY 2026/27, staff will continue administering the program and anticipate supporting the funding of a small part of a Principal Planner position and the majority of an Assistant Planner position in order to ensure continued implementation and operational effectiveness.

Highlights of the FY 2025/26 Proposed Budget

The proposed FY 2026/27 Budget (Attachment 1) includes a total spending authorization request of \$10,279,370. Of this amount, \$9,173,770 is allocated for the agency's recurring operational expenses, while \$695,000 is designated for specific program initiatives. These initiatives include Accessibility mandates and a new Data system for the agency.

As part of the Board's recent budget approval, updates to the agency's staffing model have also been incorporated to enhance organizational capacity and improve service delivery. These changes represent a strategic investment in personnel to ensure the agency is better equipped to meet operational needs and public expectations.

Staffing Model

During FY 2025/26, the agency implemented several changes to its staffing model, increasing the total number of full-time equivalent (FTE) positions to 31.0.

The Board previously approved the creation of a Policy Director position focused on housing and land use planning. Although the position had been budgeted for several years, it remained vacant. In FY 2025/26, the agency reclassified the position to a Principal Program Manager role, which was subsequently filled.

Changes to the staffing model within the Public Information Unit (PIU) were also fully implemented during FY 2025/26, including the filling of previously vacant Community Services Specialist III (PIU Manager) position.

Within the Finance Unit, recruitment is currently underway for an Accounting Office Specialist II position to further strengthen the unit's operational capacity.

These staffing changes reflect significant recruitment and organizational efforts undertaken throughout FY 2025/26 to strengthen the agency's workforce and better align staffing resources with operational needs, service delivery goals, and the agency's long-term strategic priorities.

Rental of Office Space

The agency entered into its current lease agreement with 2000 Center Street LLC during the third quarter of FY 2023/24. With the office relocation now fully completed, one-time relocation-related expenditures have been fully incurred, and no additional significant relocation costs are anticipated.

For FY 2026/27, the agency anticipates an increase of up to \$16,000 in rent expenses, bringing the total annual rent obligation—including property-related costs as required under the lease agreement—to over \$528,000. The FY 2026/27 proposed budget also

includes funding annual costs of 12,222 for tenant improvements related to the new office space. Rent obligations are expected to increase incrementally over the 10-year lease term and could reach approximately \$750,000 annually by the final year of the agreement.

Given the projected long-term increases in facility costs over the term of the lease, the Board may need to reevaluate registration fee levels in future fiscal years to ensure sufficient revenue is available to support ongoing operational needs.

Comprehensive Rental Information & Housing Services Management System

In FY 2026/27, the Rent Stabilization Board will begin implementation of a new Comprehensive Rental Information and Housing Services Management System as part of a major agency modernization initiative. The project will replace the current 3Di system and establish a modular, cloud-based platform integrating registration, housing counseling, petitions and hearings, finance, document management, analytics, and public-facing online services.

Following a competitive RFP process, the Board selected EcoMetricx's "Ariadne" platform based on its functional alignment, flexibility, accessibility standards, and long-term adaptability. The new system is intended to improve data accuracy, reduce manual workarounds, enhance cross-unit workflow integration, expand online services for landlords and tenants, and strengthen reporting and analytics capabilities.

The FY 2026/27 budget includes funding for implementation activities such as business process analysis, workflow development, data migration planning, staff training, testing, and operational readiness. The agency also plans to onboard a Client-Side Implementation Strategist (Owner's Representative) to provide independent implementation oversight, vendor accountability review, workflow validation, testing oversight, and implementation risk management throughout the project.

This initiative is expected to improve operational efficiency, strengthen public service delivery, and better position the agency to respond to future housing policy and regulatory needs.

Language Access & Accessibility Services Expansion

In FY 2026/27, the Rent Stabilization Board will begin implementation of its newly adopted Language Access Policy and expand the visibility of accessibility-related public services as part of the agency's commitment to equitable and inclusive service delivery.

Initial implementation efforts will include translating the agency's most frequently used public-facing forms into Spanish and Simplified Mandarin Chinese, creating a dedicated language access webpage, expanding multilingual notifications on outreach materials

and petition packets, and increasing outreach to historically underserved and non-English-speaking communities.

The initiative will also focus on strengthening compliance with Web Content Accessibility Guidelines (WCAG) across the agency's digital platforms and increasing public awareness of available interpretation services, translated materials, and accessibility accommodations.

The FY 2026/27 budget includes funding for translation services, accessibility-related improvements, multilingual outreach materials, and implementation support necessary to operationalize the Board's Language Access Policy and improve equitable access to Rent Board services and information.

Outside Legal Costs

The upcoming fiscal year will carry forward significant legal work stemming from an ongoing class action lawsuit challenging the Measure MM registration fee adopted in November 2020. This lawsuit, which is the first of its kind against the Board, raises complex legal issues related to the Board's authority to register and provide services to partially covered Berkeley rental units. To ensure the agency is well-positioned to respond, staff anticipate allocating approximately \$250,000 for continued legal counsel. Engaging external expertise is a standard and prudent practice for complex litigation of this nature, and this effort is expected to continue well into FY 2026/27.

Overview of other changes in Baseline Spending and Priorities:

\$55,000 – Board & Staff Trainings - The proposed budget recommends allocating \$45,000 annually to support ongoing training and professional development opportunities for agency staff and senior leadership. An additional \$10,000 is designated specifically for training sessions tailored to the agency's elected commissioners. These investments reflect the Board's continued commitment to building organizational capacity and training opportunities at all levels.

\$15,000 – Digital Education – Investing in digital education has been an ongoing Board priority. This expenditure is proposed to continue efforts to create a stronger social media presence with new digital video content, as well as other forms of digital outreach to the community.

\$45,000 – Printing and Binding - The agency has experienced a significant increase in

demand for printed materials, including mailings, brochures, and outreach collateral. This growth is driven by expanded program activity, increased outreach efforts, translation requirements, and regulatory obligations. As a result, printing and binding costs have exceeded historical budgeted levels. The FY 2026/27 budget reflects an adjustment to more accurately align these expenditures with current operational needs and anticipated workload.

\$48,000 – Books and Publications – The proposed budget also underscores the Board’s continued commitment to improving public access and community engagement. Resources are strategically allocated to upgrade technology infrastructure and services, to improve the user experience, and make key information more accessible and transparent to the public.

Contracts Management and One-Time Allocations

The proposed budget includes key one-time allocations within the Professional Services line item to address critical agency needs in FY 2026/27. This includes anticipated legal expenses and a contract amendment with outside counsel (Goldfarb & Lipman) to support ongoing litigation. Additionally, \$500,000 is allocated for the Comprehensive Rental Information & Housing Services Management System, which will enhance the agency’s technology needs.

While contracts are generally brought to the Board for approval, staff have recently implemented a new process to conduct Requests for Proposals (RFPs) every two years in order to enhance transparency and broaden vendor engagement. Although the Board will take action on a few new contracts this year, the proposed budget also includes funding to support the first year of this new biennial contracting approach.

The following table outlines key contracts and their corresponding allocations included in the proposed FY 2026/27 budget:

<u>Vendor</u>	<u>Description</u>	<u>Proposed Allocation</u>
EcoMetricx	Comprehensive Housing Data System	\$50,000
Berkeley Community Media	Broadcast Services	\$25,000
Goldfarb & Lipman	Legal Consultation	\$250,000
2000 Center St. LLC	Rental and Property Expenses	\$528,219
Quick Caption	Remote Closed Captioning	\$10,500
Eviction Defense Center*	Community Tenant Legal Services	\$160,500
East Bay Community Law Ctr*	Community Tenant Legal Services	\$148,605
Brian Augusta	Legislative Advocacy Services	\$72,000
3Di	Current Registration System Management	\$62,400

* The amount shown in the table reflects solely the Rent Stabilization Board’s allocation under this contract and does not include additional funds that may be allocated by the City.

Status of the Rent Board Fund Reserve Balance and Capital Reserve Allocation

Historically, the Board has maintained a conservative approach to managing the Rent Stabilization Fund, striving to retain one to two months of uncommitted reserves. While the Board has, at times, approved reserve levels as low as 8%, a formal policy was adopted in FY 2025/26 to establish a minimum reserve target of 16%, equivalent to two months of recurring operational expenses.

There have been exceptional circumstances where the Board intentionally allowed reserves to fall below this threshold to avoid sharp fee increases. Notably, during the peak of the COVID-19 pandemic, the Board authorized a temporary reserve level of 5% to mitigate financial impacts on property owners. Despite these challenges, the agency has successfully maintained a reserve balance exceeding 16% since the close of FY 2017/18.

Staff project that, by the end of the current fiscal year, the agency will maintain an uncommitted reserve of approximately 40%. Based on projected FY 2026/27 year-end expenditures of \$8,348,425, this would result in an estimated uncommitted fund balance of \$4.6 million.

The FY 2026/27 proposed budget remains aligned with the Board's 16% reserve policy, continuing to position the agency within a best-practice reserve framework while providing a prudent buffer to address unforeseen needs in the upcoming fiscal year.

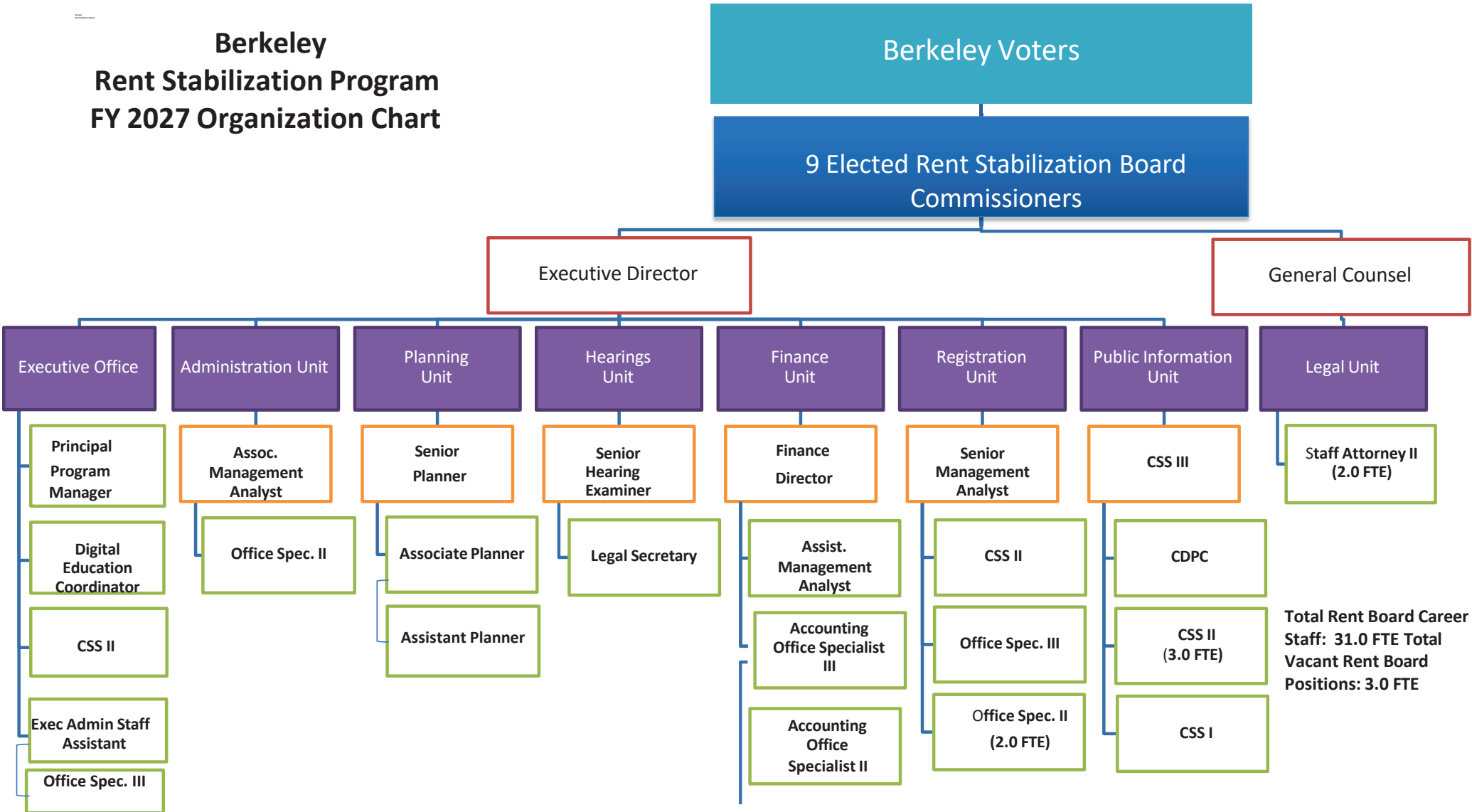
Attachments:

1. Proposed FY 2026/27 Line-Item Budget and FY 2025/26 Preliminary Year-end Actuals
2. Proposed FY 2026/27 Organizational Chart
3. Proposed FY 2026/27 Position Detail Summary Table

Rent Stabilization Program FUND 801					
FY 2026 Preliminary Year End and FY 2027 Proposed Budget					
Account Code	Description	Adopted FY 2026	3/4 Year Actuals FY 2026	Projected Year End Actuals FY 2026	Proposed FY 2027
511110	Monthly Employees	4,260,000	2,586,080	3,650,000	4,430,000
513110	Overtime	10,000	6,270	10,000	10,000
520110	Benefits	2,800,000	1,649,575	2,458,000	2,900,000
514110	Stipends	174,100	112,110	174,100	179,400
612110	Professional Services - Legal Outside	7,500	0	7,500	7,500
612190	Misc. Legal Expenses	30,000	780	30,000	10,000
612250	Temp. Agency Employees	10,000	0	10,000	40,000
612990	Misc. Professional Services	400,000	335,685	445,000	467,500
613120	Office Equip. Mtc. Svcs. / Furniture	25,000	7,315	25,000	20,000
613130	Office Software	1,000	260	1,000	1,000
624110	Property Repairs/ Mtc Svcs	500	1,675	500	2,000
625110	Rental of Land / Buildings	512,000	436,830	512,000	543,000
632110	Telephones	12,325	2,375	12,325	9,500
632120	Telephones - Cellular	675	370	675	740
632130	Internet	0	100	0	500
633110	Advertising/public access	70,000	17,680	40,000	70,000
634110	Training and Conference - Training	40,000	90	40,000	55,000
634120	Training and Conference - Registration	10,000	1,025	10,000	5,000
634210	Transportation & Commercial Travel	4,000	2,150	4,000	2,000
634220	Travel Lodging	4,000	690	4,000	2,000
634230	Travel Other Trans	0	420	0	1,000
634240	Travel Meals	1,000	320	1,000	500
635110	Printing and Binding	65,000	41,090	65,000	80,000
639110	Bank Fees	25,000	24,370	25,000	35,000
639120	Professional Dues & Intern Fees	3,500	2,300	3,500	3,500
639130	Messenger / Delivery	500	0	500	500
641110	Office Supplies	15,000	11,030	15,000	15,500
641120	Postage	50,000	34,335	50,000	55,000
643110	Books & Publications	40,000	20,700	40,000	48,000
644110	Supplies - Food	3,500	2,890	3,500	9,000
645110	Supplies - Clothing	1,500	0	1,500	1,000
651110	Non Cap Computers and Software	30,000	21,020	30,000	32,000
651120	Non Cap Office Furniture	5,000	6,000	5,000	5,000
664130	Cap Office Equipment and Furniture	0	0	0	0
664140	CAP - Computers	3,300	0	3,300	3,000
664150	Leashold - Tenant Improvements	12,200	10,180	12,200	12,225
670140	PC Replacement/City Software Licenses	74,305	55,730	74,305	74,305
670150	Mail Services	3,600	2,700	3,600	3,600
670190	City Vehicle / Fuel & Maint./Prkg	15,000	0	15,000	15,000
670200	Internal Service/Pkg	4,500	0	4,500	4,500
720003	Unallocated	0	0	0	0
9001/514110	Stipends - Elected Officials	3,000	0	3,000	20,000
	Recurring Expenditure Subtotal**	8,727,005	5,394,146	7,790,005	9,173,770
	Outside Legal Counsel/Services	250,000	45,220	45,220	250,000
	Special Projects (Executive Evaluations/Contracts, 3DI, Accessibility)	40,000	33,200	33,200	195,000
	Increase Staff Capacity - Office Specialist III				160,600
	Data Replacement System (72003)	500,000	480,000	480,000	500,000
	Total Authorized Fund Expenditures*	9,017,005	5,472,566	8,348,425	10,279,370
		Adopted FY 2026	3/4 Year Actuals FY 2026	Projected Year End Actuals FY 2026	Proposed FY 2027
	Fully Covered Revenue	7,396,000	7,260,733	7,396,000	8,535,500
	Partially Covered Revenue	1,272,000	1,557,607	1,700,000	1,464,000
	Registration Penalties Revenue	250,000	616,508	700,000	250,000
	Fair Chance Ord. Administration	41,575	0	0	0
	Misc Revenue (Admin, Copy fees)	2,000	0	0	2,000
	Total Authorized Fund Revenue*	8,961,575	9,434,848	9,796,000	10,251,500
	Annual Surplus/Shortfall	(55,430)	3,962,282	1,447,575	(27,870)
	FUND BALANCE (cash basis)	3,098,917	7,116,629	4,601,922	4,574,052
	FUND BALANCE (accrual basis)	3,098,917	7,116,629	4,601,922	4,574,052
	TOTAL UNCOMMITTED OPERATIONAL (Reserve)	2,598,917	6,636,629	4,601,922	4,574,052
	TOTAL COMMITTED CAPITAL RESERVE FUND BALANCE	500,000	480,000	0	0

* Note: this report only reflects charges & revenues against the Rent Board Fund (Fund 440 and Fund 801) and does not include services charged to or received from other funds
 ** Note: variance in actual expenditures and total fund balance reflects remaining balance in reimbursement offset escrow accounts

Berkeley Rent Stabilization Program FY 2027 Organization Chart



Rent Board Position Detail
Sorted by Classification

<u>Classification Title</u>	<u>FY 2027 Proposed Staffing Level</u>
Accounting Office Specialist II	1.00
Accounting Office Specialist III	1.00
Administrative and Fiscal Services Manager	1.00
Assistant Management Analyst	1.00
Administrative Staff Assistant	1.00
Associate Management Analyst	1.00
Assistant Planner	1.00
Associate Planner	1.00
Digital Communications Coordinator	1.00
Community Development Program Coordinator	1.00
Community Service Specialist II	6.00
Community Service Specialist III	1.00
Executive Director	1.00
General Counsel	1.00
Legal Secretary	1.00
Office Specialist II	3.00
Office Specialist III	2.00
Principal Planner	1.00
Principal Program Manager	1.00
Senior Hearing Examiner	1.00
Senior Management Analyst	1.00
Staff Attorney II	2.00
TOTAL FTE:	31.00

Changes as follows:

Created 1.0 FTE Office Specialist III

Created 1.0 FTE Principal Program Manager

Reallocated Senior Planner to Principal Planner



Memorandum

DATE: May 27, 2026
TO: Honorable Members of the Budget and Personnel Committee
FROM: DéSeana Williams, Executive Director
SUBJECT: Recommendation to Adopt Executive Compensation Policy

Recommendation

Staff recommends adopting the proposed Executive Compensation Policy, which establishes a fair, transparent, and consistent framework for the review and approval of executive compensation for executive-level contracted positions within the Berkeley Rent Stabilization Board. The proposed policy provides governance guidance regarding compensation benchmarking, salary review practices, contract adjustments, and Board oversight responsibilities.

Background

[The Berkeley Rent Stabilization Board employs executive-level leadership positions pursuant to Board-approved employment agreements. These positions currently include the Executive Director and General Counsel and may include future executive-level contracted positions approved by the Board.

Historically, executive compensation determinations have been addressed through individual employment agreements and Board action on a case-by-case basis. While the Board has maintained authority over executive compensation matters, the agency has not previously adopted a formal policy establishing broader governance guidance regarding executive compensation review practices.

The proposed Executive Compensation Policy is intended to establish a more consistent and transparent framework for future executive compensation discussions while preserving the Board's full authority over executive employment agreements.

The Rent Board operates as a complex public regulatory agency responsible for administering one of California's most comprehensive rent stabilization programs. The agency oversees significant public-facing operations, legal and regulatory compliance functions, housing counseling services, finance and registration operations, hearings and petition processes, and a multi-million-dollar operating budget.

The proposed policy recognizes the importance of maintaining competitive executive compensation practices to support the recruitment and retention of highly qualified leadership capable of managing the agency's operational, legal, financial, and public service responsibilities.

Need for Committee Action

A formal executive compensation policy, instead of relying solely on historical practice, serves several practical purposes:

1. Promotes consistency in decision-making: A policy establishes a structured framework that can be applied consistently across Board terms and contract negotiations.
2. Supports transparency and governance: A formal policy provides clear guidance regarding how executive compensation considerations are evaluated and reviewed.
3. Supports recruitment and retention: Competitive and market-informed compensation practices help the agency recruit and retain qualified executive leadership.
4. Clarifies Board authority and process: The policy reinforces that executive compensation decisions remain subject to formal Board approval and Brown Act requirements.

Summary of Proposed Policy

The proposed policy includes the following primary components:

- Identification of covered executive-level contracted positions
- Establishment of an executive compensation philosophy
- Guidance regarding comparator and market-based compensation review
- Procedures related to initial salary-setting considerations
- Guidance regarding annual adjustments and contract terms
- Parameters regarding mid-term compensation adjustments
- Periodic compensation review practices
- Clarification of Board authority and governance responsibilities

The proposed policy also clarifies that it is intended as a governance and administrative guidance document and does not create contractual rights or supersede the terms of any duly executed employment agreement unless formally amended through Board action.

Mid-Term Compensation Adjustments

The proposed policy discourages mid-contract compensation renegotiations except under limited and documented circumstances, including significant expansion of executive responsibilities, material organizational restructuring, demonstrated market inequities, or exceptional operational conditions materially impacting executive duties.

Any proposed mid-term compensation adjustment would require review by the Board Chair and/or Budget & Personnel Committee, documentation supporting the basis for the adjustment, and formal approval by the full Board in compliance with applicable Brown Act requirements.

Compensation Benchmarking and Review

The proposed policy provides guidance that executive compensation review may include consideration of:

- Comparable City of Berkeley department director positions
- Comparable rent stabilization, housing, or regulatory agencies
- Comparable Bay Area public agency executive positions
- Public sector salary survey data
- Independent compensation or classification studies, if commissioned

The policy also recognizes that organizational complexity, staffing responsibility, operational demands, legal and regulatory complexity, and recruitment and retention conditions may be considered when evaluating executive compensation.

Board Authority and Governance

The proposed policy reinforces that only the Board acting as a body may approve executive compensation or amendments to executive employment agreements. Individual Board members, Board officers, or committee members may not unilaterally promise, authorize, or modify executive compensation.

The policy further confirms that executive compensation deliberations remain subject to applicable Brown Act requirements, including closed-session and public reporting requirements.

Financial Impact

Adoption of the policy does not, by itself, authorize any compensation adjustments or create a direct fiscal impact. Any future compensation adjustments associated with executive employment agreements would remain subject to Board approval and consideration during the annual budget process or through separate Board action.

Contact Person

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Attachments

Draft Executive Compensation Policy

1. Draft Executive Compensation Policy



Berkeley Rent Stabilization Board Executive Compensation Policy

The purpose of this Executive Compensation Policy is to establish a fair, transparent, consistent, and objective framework for the setting and review of executive compensation for executive-level contracted positions within the Berkeley Rent Stabilization Board ("Board"). This policy is intended to support recruitment and retention of highly qualified executive leadership while promoting sound governance and continuity in Board decision-making.

1. Covered Positions

This policy applies only to executive-level positions employed pursuant to individual employment agreements approved by the Board, including:

- Executive Director
- General Counsel
- Any future executive-level contracted positions approved by the Board

2. Compensation Philosophy

The Board seeks to provide executive compensation that is competitive with comparable public-sector executive positions to recruit, retain, and motivate highly qualified leadership capable of managing a complex regulatory agency serving the public interest.

In establishing executive compensation, the Board may consider:

- Agency size and complexity
- Operating budget responsibility
- Staffing responsibility and supervisory scope
- Legal and regulatory complexity
- Public-facing operational demands
- Required expertise, licensure, and experience
- Recruitment and retention considerations
- Regional labor market conditions



3. Compensation Benchmarking and Analysis

Prior to establishing compensation for a newly hired executive position, the Board or its designated committee should review objective comparators and market information. Such a review may include:

- Comparable City of Berkeley department director positions
- Comparable rent stabilization, housing, or regulatory agencies
- Comparable Bay Area public agency executive positions
- Public sector salary survey data
- Independent compensation or classification studies, if commissioned

The Board may also consider organizational complexity, independent authority, operational responsibilities, and agency-specific leadership demands when evaluating executive compensation.

4. Initial Salary Setting Process

Before approving compensation for a newly hired executive, the Board or Budget & Personnel Committee should:

- Review comparator and market data
- Consider internal equity and organizational structure
- Evaluate recruitment and retention conditions
- Document the rationale supporting the compensation determination
- Approve compensation in compliance with applicable Brown Act meeting laws

5. Annual Adjustments and Contract Terms

Executive employment agreements may include provisions related to annual compensation adjustments, cost-of-living adjustments (COLA), comparator-based formulas, or other objective compensation mechanisms approved by the Board.

Any compensation formula or methodology shall be clearly documented in the applicable executive employment agreement approved by the Board.

6. Mid-Term Compensation Adjustments



Mid-contract compensation renegotiations are discouraged and should occur only under limited and documented circumstances.

Examples of circumstances that may justify consideration of a mid-term compensation adjustment include:

- Significant expansion of executive responsibilities
- Material organizational restructuring
- Demonstrated market inequity or retention concerns
- Exceptional operational circumstances materially impacting executive duties

Any proposed mid-term compensation adjustment should include:

- Review by the Board Chair and/or Budget & Personnel Committee
- Documentation supporting the basis for the adjustment
- Approval by the full Board in compliance with applicable Brown Act meeting laws

7. Compensation Review

Executive compensation may be periodically reviewed for purposes of assessing market competitiveness, recruitment and retention considerations, organizational complexity, and internal equity.

Such reviews shall not, by themselves, authorize unilateral reductions in compensation during an active employment contract term unless otherwise expressly provided in the employment agreement.

At the time of contract renewal, the Board may consider updated market data and organizational factors in negotiating compensation terms for a subsequent agreement.

Periodic market reviews may occur at the discretion of the Board or its designated committee, but are generally recommended no more frequently than every three to five years.

8. Board Authority and Governance



Only the Board acting as a body may approve executive compensation or amendments to executive employment agreements. Individual Board members, Board officers, or committee members may not unilaterally promise, authorize, or modify executive compensation.

The Board shall conduct executive compensation deliberations in accordance with applicable laws governing the Brown Act, closed sessions, and public reporting requirements.

9. Existing Employment Agreements

Nothing in this policy shall alter, impair, or supersede the terms of any duly executed employment agreement approved by the Board unless expressly amended by mutual agreement and formal Board action.

10. Non-Binding Nature of Policy

This policy is intended to provide governance guidance and administrative consistency. It does not create contractual rights, guarantee compensation adjustments, or limit the Board's lawful authority regarding executive employment agreements.