

DATE: May 23, 2024

TO: Rental Housing Committee

FROM: Patricia Black, Senior Management Analyst
Wayne Chen, Housing Director

SUBJECT: **Community Stabilization and Fair Rent Act and Mobile Home Rent Stabilization Ordinance Financial Expenditures for Fiscal Year 2023-24 through March 31, 2024**

RECOMMENDATION

Receive a quarterly overview of financial expenditures for Fiscal Year 2023-24 through March 31, 2024 for the Community Stabilization and Fair Rent Act (Attachment 1) and the Mobile Home Rent Stabilization Ordinance (Attachment 2).

BACKGROUND

As part of the administration of the Rent Stabilization Division, including the Community Stabilization and Fair Rent Act (CSFRA) and the Mobile Home Rent Stabilization Ordinance (MHRSO), the Rental Housing Committee (RHC) reviews program expenditures on a quarterly basis.

On June 12, 2023, the RHC adopted both the CSFRA Fiscal Year 2023-24 Budget of \$2,325,518 and the MHRSO Fiscal Year 2023-24 Budget of \$381,427 (both original adopted budget amounts were slightly lower, and these are the final amounts based on final salaries and benefit calculations).

ANALYSIS

Both the CSFRA and the MHRSO Quarterly Financial Reports are divided into Personnel Services, Non-Personnel Services, Capital Outlay (CSFRA only), and Interfund Expenditures/Transfer. This report is for the nine-month period between July 1, 2023 and March 31, 2024, which represents 75% of the budget.

Community Stabilization and Fair Rent Act Summary of Expenditures

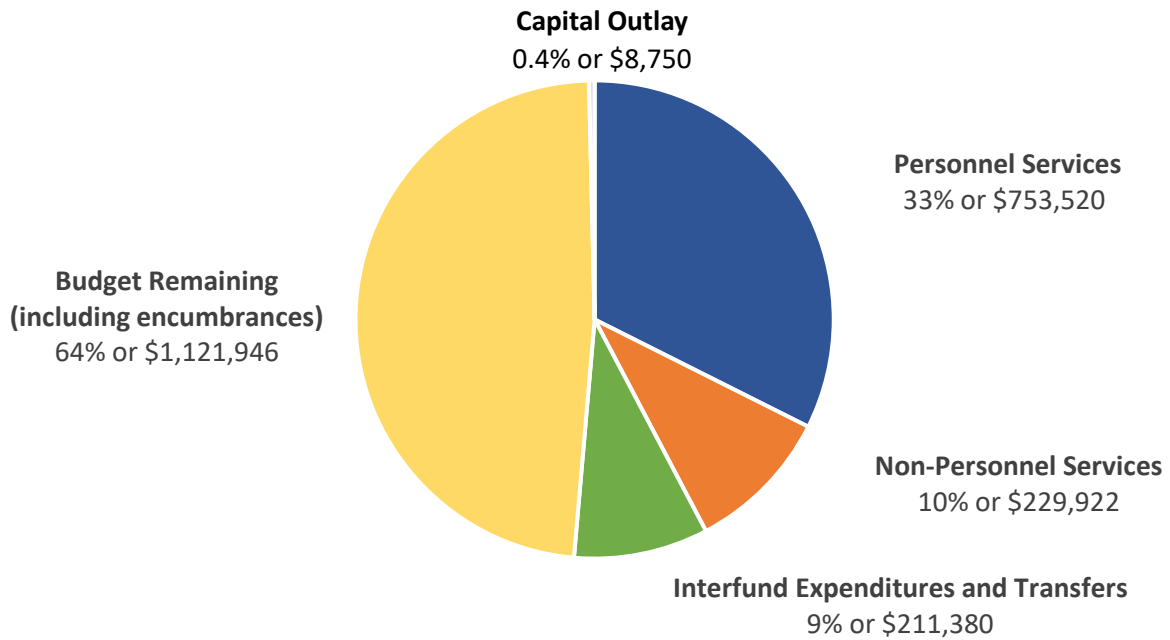
Table 1 below gives an overview of CSFRA expenditures for the first nine months of this fiscal year.

Table 1: CSFRA Summary of Expenditures through March 31, 2024

Budget Item	Nine-Month Expenditure Level	Actual Expenditure Percentage	Notes
Operating Expenditures			
<i>Personnel Services</i> (i.e., expenditures related to City staff, including full-time and hourly positions)	75%	64%	Lower than budgeted due to underfilling of positions and personnel hours charged for non-CSFRA programs such as the Tenant Relocations Assistance Ordinance (TRAO).
<i>Non-Personnel Services</i> (i.e., expenditures related to general operations, professional Services, and Legal Services)	75%	27%	Lower than budgeted due to less advertising, materials, and supply costs. Additionally, there are pending invoices for professional services which will increase final expenditures once invoices are processed.
<i>Capital Outlay</i> (i.e., expenditures related to the development of the online portal as defined in the RFQ)	75%	10%	This rebudget is used for ongoing development of the online portal. Items in the original RFQ remain outstanding due to shifting priorities outside of the original RFQ as determined by the RHC including the processing of online payments.
City Administration (General Fund Administration), Self-Insurance, and Transfers			
<i>Interfund Expenditures and Transfers</i> (i.e., City Administration, Self-Insurance, Compensated Absences Reserve, and Equipment Replacement Reserves)	100%	100%	100% charged midway through each fiscal year.

As a percentage of the *total* Fiscal Year 2023-24 CSFRA budget of \$2,325,518, the expended percentages for each of the budget items are as follows in Chart 1 below:

**Chart 1: CSFRA Summary of Expenditures through March 31, 2024
as a Percentage of the Total Fiscal Year 2023-24 CSFRA Budget**



Mobile Home Rent Stabilization Ordinance Summary of Expenditures

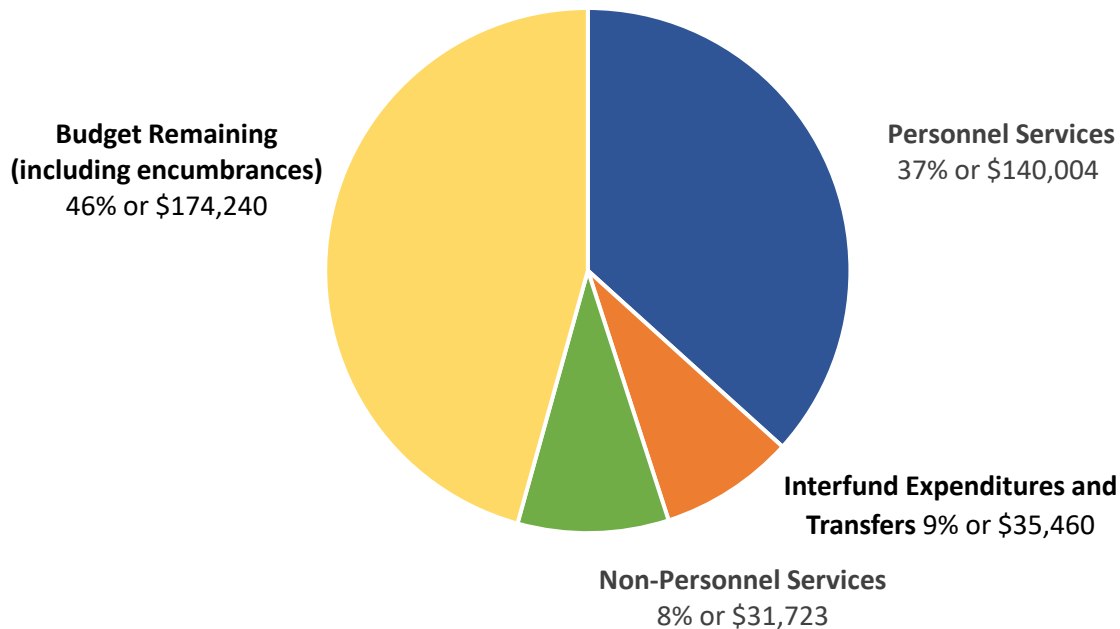
Table 2 below gives an overview of MHRSO expenditures for the first nine months of this fiscal year.

Table 2: MHRSO Summary of Expenditures through March 31, 2024

Budget Item	Nine-Month Expenditure Level	Actual Expenditure Percentage	Notes
Operating Expenditures			
<i>Personnel Services</i> (i.e., City staff including full-time and hourly positions)	75%	81%	Higher level staff involvement in work items.
<i>Non-Personnel Services</i> (i.e., general operations, professional Services, and Legal Services)	75%	19%	Lower than budgeted due to less advertising, materials, and supply costs. Additionally, lower than expected professional services utilized.
City Administration (General Fund Administration), Self-Insurance, and Transfers			
<i>Interfund Expenditures and Transfers</i> (i.e., City Administration, Self-Insurance and Equipment Replacement Reserves)	100%	100%	100% charged midway through fiscal year.

As a percentage of the total Fiscal Year 2023-24 MHRSO budget of \$381,427, the expended percentages for each of the budget items are as follows in Chart 2 below:

**Chart 2: MHRSO Summary of Expenditures through March 31, 2024
as a Percentage of the Total Fiscal Year 2023-24 CSFRA Budget**



FISCAL IMPACT—There is no fiscal impact related to the RHC receiving this report.

PUBLIC NOTICING—Agenda posting, posting on the City’s website, and email to distribution list.

PB-WC/KG/4/HSN/RHC
847-05-23-24M

- Attachments:
1. CSFRA Financial Expenditures (Fiscal Year 2023-24 through March 31, 2024)
 2. MHRSO Financial Expenditures (Fiscal Year 2023-24 through March 31, 2024)