

DATE: February 27, 2025

TO: Rental Housing Committee

FROM: Anky van Deursen, Division Manager

SUBJECT: **Community Stabilization and Fair Rent Act and Mobile Home Rent Stabilization Ordinance Financial Expenditures for Fiscal Year 2024-25 through December 31, 2024**

RECOMMENDATION

Receive an overview of Financial Expenditures for Fiscal Year 2024-25 through December 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.

The Fiscal Year 2024-25 Budget was adopted by the RHC on June 13, 2024, with a total budget for the CSFRA of \$2,350,664 and a total budget for the MHRSO of \$319,500. After adjustments for updated salary and benefit calculations the current total budget for the CSFRA is \$2,482,984.00 and for the MHRSO \$323,114.50.

ANALYSIS

The CSFRA financial report is divided into Personnel Services, Non-Personnel Services, Capital Outlay, and Interfund Expenditures/Transfer and the MHRSO financial report is divided into Personnel Service, Non-Personnel Services and Interfund Expenditures/Transfer. This report is for the six-month period between July 1, 2024, and December 31, 2024, which represents 50% of the budget. Therefore, actual expenditures are benchmarked against a 50% expenditure target.

CSFRA Summary of Expenditures

Table 1 below gives an overview of CSFRA expenditures per category for the first six months in Fiscal Year 2024-25. Overall, actual expenditures are lower than budgeted.

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

Budget Item	Amount/ Percentage of Total Budget	Six Month Budget Level	Expenditure Percentage per Category	Expenditure Amount / Percentage of Total Budget	Notes
Operating Expenditures					
Personnel Services (i.e., expenditures related to City staff, including full-time and hourly positions)	\$1,492,213 60%	50%	45%	\$667,514 26.9%	Slightly below budget, due to vacancy.
Non-Personnel Services (i.e., expenditures related to general operations, Professional Services, and Legal Services)	\$720,131 29%	50%	37%	\$263,719 10.6%	Below budget due to work performed but not yet invoiced.
Capital Outlay (i.e., expenditures related to the development of the online portal as defined in the RFQ)	\$51,950 2%	50%	0%	\$0 0%	Further work is anticipated to complete the portal.
City Administration (General Fund Administration), Self-Insurance, and Transfers					
Interfund Expenditures and Transfers (i.e., City Administration, Self-Insurance, Compensated Absences Reserve, and Equipment Replacement Reserves)	\$218,690 9%	50%	100%	\$218,690 9%	Customarily the City charges 100% of these overhead costs midway through each fiscal year.
Total	\$2,482,984 100%			\$1,149,923 46.5%	

MHRSO Summary of Expenditures

Table 2 below gives an overview of MHRSO expenditures per category for the first six months of Fiscal Year 2024-25. Overall actual expenditures are lower than budgeted.

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

Budget Item	Amount/ Percentage of Total Budget	Six Month Budget Level	Expenditure Percentage per Category	Expenditure Amount / Percentage of Total Budget	Notes
Operating Expenditures					
Personnel Services (i.e., City staff, including full-time and hourly positions)	\$179,280 56%	50%	53%	\$95,100 29%	Slightly over budget, due to amount of staff services used.
Non-Personnel Services (i.e., general operations, Professional Services, and Legal Services)	\$107,904.50 33%	50%	19%	\$20,276 6%	Lower than budgeted due no petitions, and lower costs of materials.
City Administration (General Fund Administration), Self-Insurance, and Transfers					
Interfund Expenditures and Transfers (i.e., City Administration, Self-Insurance and Equipment Replacement Reserves)	\$35,930 11%	50%	100%	\$35,930 11%	Customarily the City charges 100% of these overhead costs midway through fiscal year.
Total	\$323,114.50 100%			\$151,930 46%	

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.

- Attachments:
1. CSFRA Financial Expenditures (Fiscal Year 2024-25 through December 31, 2024)
 2. MHRSO Financial Expenditures (Fiscal Year 2024-25 through December 31, 2024)