

## **RESOLUTION 16-01**

### **ESTABLISHING THE FISCAL YEAR 2017 ANNUAL REGISTRATION FEE, DUE JULY 1, 2016**

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

WHEREAS, the Rent Stabilization Board operates on the basis of 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 has reviewed the anticipated increases in salary, fringe benefits and rent for office space to be incurred by the Program during the next fiscal year and believes an overall spending level of between \$4,675,000 - \$4,800,000 will be necessary to cover recurring and short-term operational costs in Fiscal Year 2017 (FY 2017); and,

WHEREAS, the Executive Director and Rent Stabilization Board believe that new recurring annual revenues of at least \$4,733,000 in FY 2017 will be necessary to meet the Program's operating needs and maintain a reserve Fund balance of at least 8% throughout FY 2017; and,

WHEREAS, because of the ongoing housing crisis, demand for Rent Stabilization Program services has increased dramatically the past several years, including an estimated 20% increase over the past eighteen months; and,

WHEREAS, the Board believes that, to the extent possible, the Program should continue to meet the needs of owners and tenants requesting our services and maintain a minimum level of staff to allow that to happen; and,

WHEREAS, since 2009, the annual registration fee has only been increased once, in 2015 by \$19; and,

WHEREAS, inflation has increased approximately 18% and average rents of controlled units have increase by 27.46% since May 2009; and

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WHEREAS, to reach the revenue targets referenced above, an annual registration fee of \$234 per unit is required; and,

WHEREAS, the Board will meet to consider and adopt a final budget document detailing the revenues, line-item expenditures and staffing model in June 2016;

NOW, THEREFORE, BE IT RESOLVED that the annual FY 2017 registration fee, due July 1<sup>st</sup>, 2016, is hereby set at \$234 per unit, constituting a 9.85% increase to the current fee (20.61% since 2009); and,

BE IT FURTHER RESOLVED that the Executive Director shall produce a final budget document detailing the revenues, total expenditure level (recurring and one-time costs) broken down in line-item detail, and staffing model for the Board's consideration and adoption at a scheduled meeting in June 2016.

Dated: May 11, 2016

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

YES: Chang, Harr, Selawsky, Shelton, Soto-Vigil, Townley

NO: Hunt

ABSTAIN: None

ABSENT: Dodsworth, Laverde

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Jesse Townley, Chairperson  
Rent Stabilization Board

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Jay Kelekian, Executive Director