



Rent Stabilization Department

Rent Stabilization Department Operating Budget FY2025

May 8, 2024





Background

Rent Stabilization Department

- On April 24th, Recommended FY 2025 Rent Stabilization Department Budget and Rental Housing Fee presented to Board
- Follow-up on additional questions from the Board
 - > Relocation Assistance Services
 - > Legal Services Program



Relocation Assistance Services

Rent Stabilization Department

- Program Explanation
 - > Service available to tenants during no-fault evictions
 - > Helps tenants find new housing
 - > Provider facilitates the relocation assistance paperwork and payments between tenants and landlords
- Benefits
 - > Eases the burden on tenants facing involuntary relocation
 - > Provides information, guidance, and support services to navigate the eviction process and secure new housing
 - > Provider is a neutral party, facilitating communication and ensuring a smoother transition for all parties
 - > Provider will acknowledge completion of program and receipt of all relocation assistance back to RSD
- Costs - \$20,000 recommended for FY2025



Legal Services Program

Rent Stabilization Department

- **Eviction Hearing Representation**
 - > Qualified legal representation for low-income tenants and small landlords
 - > May involve negotiating between tenants and landlords to avoid eviction
 - > Securing relocation assistance
 - > Advocating for proper just cause evictions
- **Guidance and Advice**
 - > Provide ongoing legal guidance and advice throughout the eviction process
 - > May involved reviewing lease agreements, understanding tenant and landlord rights and obligations, and navigating complex legal documents
- **Settlement/Mediation Support**
 - > Attorneys can assist tenants and landlords in mediation efforts to explore potential solutions and avoid court proceedings



Legal Services Program (cont'd)

Rent Stabilization Department

- Program Benefits
 - > Tenant
 - Legal support potentially leading to a more favorable outcome
 - May include ability for tenant to stay in their homes or secure relocation assistance
 - > Landlords
 - May lead to quicker settlements or court proceedings
 - Could lead to saving time and costs with court proceedings
- Eligibility – Board to establish by regulation
 - > Tenants: Preference to low-income and most vulnerable
 - > Landlords: Small landlords with fewer than a set number of units
- Costs - \$100,000 recommended for FY2025
 - > Future funding increases may be recommended if program successful



FY2025 RSD Operating Budget

Rent Stabilization Department

Category	FY 2025 Recommended	
Personnel*	\$	\$2,249,582
Services & Supplies	\$	\$1,596,327
Internal Service Charges	\$	\$760,823
Grand Total	\$	\$4,696,732

Full-time Equivalents
(FTE)

17.0

* Excludes Deputy City Attorney that is budgeted in the City Attorney's Office and dedicated 100% to RSD. Funding for the Deputy City Attorney are supported by Rental Housing Fees.



FY2025 Rental Housing Fee

Rent Stabilization Department

Total Revenues	Total Number of Rental Units	Rental Housing Fee Per Unit
\$ 6,723,880	31,316	\$ 214.71

- Simplify Fee Collection:
 - > Recommend combining FY 2024 and FY2025 operating expenses to calculate new single FY2025 Rental Housing Fee of \$214.71. A separate fee for FY2024 of \$91.52 will not be collected.



Recommendation

Rent Stabilization Department

RECOMMENDATION: It is recommended that the Pasadena Rental Housing Board approve the following:

- (1) Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15 061 (b)(3) (common sense exemption);
- (2) Approve funding for the Legal Services Program of \$100,000 to be incorporated into the FY 2025 Recommended Budget for the Rent Stabilization Department; and
- (3) Adopt a resolution approving the FY2025 Recommended Operating Budget for the Rent Stabilization Department of \$4,696,732, including 17.0 FTE and \$214.71 Rental Housing Fee per rental unit, inclusive of the Legal Services Program, as described in the report.



Alternate Recommendation

Rent Stabilization Department

RECOMMENDATION: It is recommended that the Pasadena Rental Housing Board approve the following:

- (1) Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15 061 (b)(3) (common sense exemption);
- (2) Adopt a resolution approving the FY2025 Recommended Operating Budget for the Rent Stabilization Department of \$4,596,732, including 17.0 FTE and \$211.52 Rental Housing Fee per rental unit, inclusive of the Legal Services Program, as described in the report.