



AGENDA REPORT

Rent Program

DATE:	July 1, 2025
TO:	Mayor Martinez and Members of the City Council
FROM:	Nicolas Traylor, Rent Program Executive Director
Subject:	Resolution Establishing the Fiscal Year 2025-26 Residential Rental Housing Fee
FINANCIAL IMPACT:	There is no financial impact related to this item.
PREVIOUS COUNCIL ACTION:	None.
STATEMENT OF THE ISSUE:	<p>The purpose of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance is to promote housing stability and affordability for Richmond renters to the greatest extent allowable under California law while providing Landlords a fair return. In accordance with Section 11.100.060(I) of the Richmond Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, after receiving the Rent Board's recommendation on the amount of the Residential Rental Housing Fee, the City Council shall determine the amount of the fee by voting on the Rent Board's recommendation. The Rent Board is requesting the adoption of a resolution amending the Master Fee Schedule by establishing the Residential Rental Housing Fee for Fiscal Year 2025-26.</p>

RECOMMENDED ACTION:	ADOPT a resolution establishing the Fiscal Year 2025-26 Residential Rental Housing Fee in the amount of \$267.00 per Controlled Rental Unit and \$151.00 per Partially Covered Rental Unit – Rent Program (Nicolas Traylor 620-6564).
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DISCUSSION:

Background

The Rent Program is funded by a Residential Rental Housing Fee, paid by all Landlords of Rental Units in the City of Richmond in accordance with Section 11.100.060(l)(1) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance (“Rent Ordinance”). The amount of the Rental Housing Fee is determined annually when the City Council votes on the Rent Board’s recommendation of the amount of the fee.

Under Section 50076 of the California Government Code, fees charged for any service or regulatory activity must not exceed the reasonable cost of providing the service. Those fees must be approved by the City Council, as the legislative body, in a public session. Thus, City staff prepared a fee study to ensure that the Residential Rental Housing Fee recommended by the Rent Board and charged to Landlords is commensurate to the level of services provided by the Rent Program.

Fiscal Year 2025-26 Rental Housing Fee Study

The fee study is designed to allow the Rent Program Department to recover costs of all budgeted operations, including, but not limited to:

- Personnel costs of staff, benefits, and overtime
- Risk management and supplemental liability insurance plan (SLIP)
- Charges allocated to City Departments to reimburse the General Fund for administrative services by central service departments (i.e., City Council, City Manager, City Clerk, Finance, HR, etc.) Allocations and offset are being negotiated with the City and Rent Program staff
- Information Technology (IT) expenses associated with a property and rent-tracking database and maintenance of computer hardware and software
- Costs of education and outreach, including the printing and distribution of print materials and hosting of community workshops and seminars
- Contracts for translation and other professional services and trainings

Comparison of Fiscal Year 2025-26 Fee to Prior Year Fees

The Rental Housing Fee for FY 2025-26 is recommended at: \$267 for Fully-Covered Rental Units and \$151 for Partially-Covered Rental Units. The table below compares the proposed Fiscal Year 2025-26 Rental Housing Fee to prior year fees.

Fiscal Year	Fully Covered Rental Units	Partially Covered Rental Units
2017-18	\$145	\$145
2018-19	\$207	\$100/\$50 (Gov. Subsidized)
2019-20	\$212	\$112
2020-21	\$219	\$124
2021-22	\$218	\$123
2022-23	\$226	\$127
2023-24	\$220	\$125
2024-25	\$238	\$135
2025-26	\$267	\$151

Next Steps

Following adoption of the Fiscal Year 2025-26 Residential Rental Housing Fee by the City Council, the fee will be incorporated into the Master Fee Schedule and charged to all Richmond Landlords in accordance with the Rent Ordinance.

DOCUMENTS ATTACHED:

Attachment 1 – Resolution