

Commission Memo  
Commission Meeting of 3/1/2010  
Re: Rental Licensing Revenue Report

February 19, 2010

The Honorable Mayor  
and  
Members of the City Commission

In October of 2009, due to decreased revenue, two Building Inspectors were moved from the State Construction Code Fund to the General Fund as Code Enforcement/Housing Officers. This move was made with the assumption that the two added positions would allow us to focus on identifying unlicensed rental properties and recovering the additional cost for these positions with the licensing fees.

The added cost for both of these positions is \$96,000: (\$72,000 per position) x 2) x 2/3. The reason that the two-thirds multiplier was used is due to the fact that the move took place after one-third of the fiscal year had passed and their cost for the first four months of the fiscal year was assessed to the State Construction Code Fund.


The original estimated revenue from rental licenses for the fiscal year is \$150,000. When the total additional cost of \$96,000 is added, the revised total is \$246,000. As of the writing of this report, the revenue received for rental licenses is \$252,875 and we still have four months remaining in this fiscal year. It is likely that revenue collection will continue into the next fiscal year.

As a direct result of having the added personnel, we have identified just under 900 unlicensed rental properties. The process of licensing these identified properties is ongoing. We are continuing the efforts that yielded these results.

Respectfully submitted,

  
Jason Craig  
Chief Building Official

Approved,

  
Donald E. Johnson  
City Manager