



Community Development Committee

Landlord Permit Program November 19, 2015

Recent Commission Action

- Create new single late fee set at 25% of permit fee to replace tiered fee increase.
- Permit revocations to be handled by Special Magistrate.
- Allow for transfer of permit to new owner.
- Define related for relative occupied exemption.
- Improve communication with Property Managers.
- Provide more detailed 311GNV response.

Items Considered by CDC – October 14, 2015

- Update on Commission action
- Landlord permit fee and budget considerations
- Multiple units per parcel
- Occupancy limit
- Revocation alternative
- Expanded exemption for owner occupied properties



FY16 GENERAL FUND BUDGET: TOTAL SOURCES

Taxes	41,439,156
Permits, Fees, and Assessments	5,446,810
Intergovernmental Revenue	12,575,385
Charges For Services	9,526,109
Fines & Forfeitures	1,459,451
Miscellaneous Revenues	1,432,074
Transfers From Other Funds	35,818,031
August 2016 Landlord License Fee	902,277
Total Revenues	108,599,293
Appropriation of Fund Balance	989,863
Total Sources Available to Fund FY16 General Fund Budget	109,589,156



FY16 GENERAL FUND BUDGET: TOTAL USES

Code Enforcement	1,154,239
Other Neighborhood Improvement	329,615
Total Neighborhood Improvement	1,483,854
Economic Development & Innovation	203,946
Planning & Development Services	2,069,848
Administrative Services	423,939
City Commission	447,456
Clerk of the Commission	625,774
City Manager	880,558
City Auditor	534,207
City Attorney	1,652,835
Information Technology	2,042,753
Budget & Finance	2,743,486
Equal Opportunity	778,098
Public Works	10,572,746
Police	33,418,023
Fire Rescue	16,977,629
Combined Communications Center	3,995,427
Parks, Recreation, & Cultural Affairs	7,617,463
Human Resources	1,357,355
Facilities Management	2,142,648
Risk Management	6,945
Communications	429,327
Non-Departmental	19,184,839
Total Uses FY16 General Fund Budget	109,589,156



LANDLORD LICENSE BILLING CYCLE

- August 2015 billing FY15 General Fund revenue
- August 2016 billing FY16 General Fund revenue
- August 2017 billing FY17 General Fund revenue
- City of Gainesville Fiscal Year October 1 – September 30



POTENTIAL ADJUSTMENT TO FEE LEVEL

- Cost allocation study pegged cost of service delivery at \$391,635 less than current revenue generated
 - Translates to \$118 fee vs current \$204
- To phase in this reduction
 - Over one year is \$391,635 revenue reduction beginning in year one
 - Over two years is \$195,817 revenue reduction in year one, and a \$391,635 reduction beginning in year two
 - Over three years is a revenue reduction of \$130,545 in year one, \$261,090 in year two, and \$391,635 beginning in year three

Multiple Units

- Currently each dwelling unit requires a permit even if multiple units per parcel
 - 7/17/2014 – City Commission clarified this requirement
- City issues permits for approximately 146 parcels with multiple units totaling about 414 total units.

Multiple Units

Number of Units / Parcel	Number of Parcels
2	99
3	19
4	11
5	2
6	4
7	6
8	2
10	2

Multiple Units

- Consider continuing to issue a permit for each dwelling unit with a reduced fee for multiple dwelling units.
 - Consistent with recent City Commission decision.
 - Each dwelling unit functions as an individual rental unit.
 - Point system is applied to each permit/dwelling unit rather than a group of dwelling units on a single parcel.

Multiple Unit Fee Example

Number of Units / Parcel	Current Fee Revenue / Parcel	Current Fee for 1 st Unit + 25% Fee Discount for Additional Units	Current Fee for 1 st Unit+ 50% Fee Discount for Additional Units
2	\$409.50	\$358.31	\$307.12
3	\$614.25	\$511.87	\$409.50
4	\$819.00	\$665.43	\$511.89
5	\$1023.75	\$818.99	\$614.27
6	\$1228.50	\$972.55	\$716.65
7	\$1433.25	\$1126.11	\$819.03
8	\$1638.00	\$1279.67	\$921.41
10	\$2047.50	\$1586.79	\$1126.17
Totals – All Units	\$84152.25	-\$13616.56	-\$27231.60

Multiple Unit Fee Example

- 25% discount for each additional unit provides average savings of \$33/unit.
- 50% discount for each additional unit provides average savings of \$66/unit.
- Potential revenue reduction of \$14,000 - \$27,000.
- Additional methods
 - Reduced fee for all units on a single parcel
 - Discount other than 25% or 50%

CDC Recommendations

- Reduce Landlord Permit Fee – Discuss during City Commission’s FY2017 budget process. Staff will provide a recommended fee amount taking the Maximus fee analysis and any approved program changes into consideration.
- Multiple Unit Discount
 - Provide a 50% discount for multiple dwelling units on a single parcel with the same owner. One dwelling unit will be charged the whole base fee and each additional dwelling unit will receive a 50% discount.
 - Approximately \$27,000 fiscal impact.
 - Requires City Commission approval of CDC recommendation and approval of an ordinance amending the Schedule of Fees.
- Items remaining in CDC:
 - Occupancy limit
 - Exemptions for relative occupied properties and owner occupied properties
 - Alternative to permit revocation penalty