



Community Development Committee

Landlord Permit Program October 14, 2015

Item Overview

- Update on Commission action
- Landlord Permit fee and budget considerations
- Multiple units per parcel
- Occupancy limit
- Revocation Alternative

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 payment.
- Define family.
- Improve communication with Property Managers.
- Provide more detailed 311GNV response.



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 issuing 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%

Single – Family Occupancy Limit

- Currently limited to no more than 3 unrelated occupants within **Single-Family Residential Zoning Districts**.
- *Family* means one natural person, or a group of two or more natural persons, living together and interrelated by bonds of blood, marriage or legal adoption, plus no more than two additional, unrelated, natural persons, occupying the whole or part of a dwelling unit as a separate housekeeping unit.
- *Findings*. Certain designated districts within the corporate limits of the city are in many cases being plagued by violation of limitation as to single-family occupancy. The number of persons occupying a dwelling in certain designated districts, if increased above one family as defined in [section 30-23](#), is detrimental and hazardous to the public health, welfare, safety and morals of the citizens of this community. The result of more persons occupying a dwelling than is permitted by the aforementioned section is a public nuisance and causes deterioration of the surrounding property values.

Peer City Examples

Jurisdiction	Occupancy Limit
Gainesville	Three unrelated.
Tallahassee	Rooming house based on amount of habitable space.
Lakeland	Five unrelated.
Coral Springs	Three unrelated.
Cape Coral	Does not specifically limit. Limited by amount of habitable space.
Clearwater	Does not specifically limit. Limited by amount of habitable space.
Pembroke Pines	Does not specifically limit. Limited by amount of habitable space.
Port St Lucie	Two unrelated individuals or two related groups.
Temple Terrace	Three unrelated.
Ft Myers	Four unrelated.
Delray Beach	Three Unrelated

Ways to Regulate

- Choose a number
- Habitable floor area
 - Currently in City Code
 - 150 square feet for first occupant and 100 square feet for each additional occupant.
 - Each habitable room should be at least 70 square feet.
 - Each room designated for sleeping shall have 50 square feet of floor space per occupant.
- Number of bedrooms available

Items to Consider

- Current method of selecting a limit of three
 - Potentially limits the use of a property based on living space
 - Considered a way to limit the impact rental properties have on single family neighborhoods
 - Current regulation cites exceeding the existing occupancy limit can be detrimental to the community and cause deterioration of surrounding property values

Items to Consider

- Based on habitable space
 - How to determine habitable space?
 - Alachua County Property Appraiser includes square footage.
 - *Habitable room* shall mean a room or enclosed floor space, used or intended to be used for living, sleeping or eating purposes, excluding bathrooms, water closet compartments, laundries, pantries, kitchens, foyers or communicating corridors, closets, and storage spaces.
 - How to determine square footage available for sleeping?
 - Based on number of bedrooms
 - How to determine number of bedrooms?
 - Alachua County Property Appraiser
 - How are additions such as garage conversions and interior room conversions handled?
 - Will this encourage building additions or bedroom conversions

Items to Consider

- Can the city regulate the method selected to determine occupancy.
 - Verification methods
 - Ability to gather evidence
- Impact to stakeholders
 - Potential for violations
 - On street and off street parking due number of vehicles
 - Limit to available parking in Univ. Context Area
 - Solid Waste – potential increase in volume of garbage
 - Additional use of property if limit increased

Permit Revocation Options

- Continue to issue revocation notices when six points are reached.
 - City Commission approved recommendation to draft ordinance to allow the Special Magistrate to consider revocations.
- Charge a higher permit fee for properties with six points.
 - Higher fee would be charged each permit cycle following the accrual of six points until less than six points are attached to permit.

Staff Recommendations

- Consider the four items brought by staff
 - Budget and Permit Fee
 - Multiple Unit Fee
 - Requires City Commission approval of CDC recommendation and approval of an ordinance amending the Schedule of Fees
 - Occupancy Limit
 - Requires City Commission approval of CDC recommendation, hearing before the Plan Board, and City Commission approval of any amendment to existing ordinance
 - Consider amending revocation process
 - Amendment will require City Commission approval of CDC recommendation and approval of an ordinance amending current ordinance.