



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2671
[www. CityofSacramento.org](http://www.CityofSacramento.org)

CONSENT
March 25, 2008

**Honorable Mayor and
 Members of the City Council**

Title: Rental Housing Inspection Program Implementation

Location/Council District: Citywide

Recommendation: Adopt a **Resolution** approving a \$284,920 adjustment to the FY07/08 approved budget for 10.5 full time equivalent (FTE) staff to begin implementation of the Residential Rental Housing Inspection Program.

Contact: Max Fernandez, Director of Code Enforcement, (916) 808-7940; Randy Stratton, Code Enforcement Manager, (916)808-6497.

Presenters: Max Fernandez, Director of Code Enforcement, (916) 808-7940; Randy Stratton, Code Enforcement Manager, (916)808-6497.

Department: Code Enforcement

Division: Housing and Dangerous Buildings

Organization No: 4653

Description/Analysis

Issue: The City Council adopted the Rental Housing Inspection Program on March 4, 2008. Program fees will offset the cost of the program, which includes a total of 19.5 FTE, when the program is fully implemented in FY2008/09. To immediately begin the process of developing the program and establishing a billing system, a minimum level of staffing, 4.5 FTE, is required. Additionally, it is requested that 6.0 FTE building inspector positions be filled in order to retain employees who are targeted for layoff in the Development Services Department.

Policy Considerations: The staff recommendation is consistent with the City's strategic plan focus areas of sustainability and livability, and safe and affordable housing.

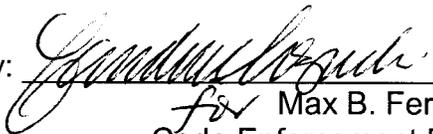
Committee/Commission Action: None.

Environmental Considerations: Under Section 15378(b)(2) of the California Environmental Quality Act (CEQA) Guidelines, CEQA review is not required for continuing administrative or maintenance activities.

Rationale for Recommendation: The Rental Housing Inspection Program is expected to recover costs through the collection of program fees. Hiring staff to begin program development and implementation in the current fiscal year will allow the City to be better prepared to fully implement the program in FY09 with systems in place for administration, planning and tracking inspections, and billing and collections. By hiring building inspector positions at this time, the impact of employee layoffs is reduced.

Financial Considerations: The General Fund impact in FY2007/08 to begin implementation of the Rental Housing Inspection Program is estimated at \$284,920, which includes 10.5 FTE. The funding will come from the General Fund contingency reserve. This funding will cover costs of the program for the remaining three months of the fiscal year through June 30, 2008. The other 9.0 FTE approved for the program will not be hired until FY2008/09. No additional impact to the General Fund is anticipated during FY2008/09 as the program should be offset by fees. If additional General Fund consideration is necessary Code Enforcement will return to Council for further direction.

Emerging Small Business Development (ESBD): No goods or services are being purchased under this report.

Respectfully Submitted by: 
for Max B. Fernandez
Code Enforcement Director

Recommendation Approved:


Ray Kerridge
City Manager

Table of Contents:

Report	Pg 1
Attachment 1 - Resolution	Pg 3
Exhibit A – Summary of Adjustments to FY08 Budget	Pg 4

RESOLUTION NO. 2008-XXXX

Adopted by the Sacramento City Council

March 25, 2008

AMENDING THE FY2007/08 APPROVED BUDGET FOR IMPLEMENTATION OF THE RENTAL HOUSING INSPECTION PROGRAM

BACKGROUND

- A. On March 4, 2008 the City Council approved the Residential Rental Housing Inspection Program. The program includes 19.5 full time equivalent (FTE) staff.
- B. The Rental Housing Inspection Program is expected to recover costs through the collection of program fees. Hiring staff to begin program development and implementation in the current fiscal year will allow the City to be better prepared to fully implement the program in FY09 with systems in place for administration, planning and tracking inspections, and billing and collections. By hiring building inspector positions at this time, the impact of employee layoffs is reduced.
- C. This report recommends an adjustment to the approved FY2007/08 budget to begin implementation of the Rental Housing Inspection Program for the remainder of the fiscal year through June 30, 2008.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. Amend the FY2007/08 adopted budget to include the adjustments summarized on Exhibit A.

Section 2. Authorize the Finance Director to implement the necessary adjustments as approved in Section 1 above.

Exhibits:

Exhibit A - Summary of Adjustments to FY2007/08 Budget

Exhibit A

FY2007/08 Operating Budget Adjustment – Rental Housing Inspection Program

Department	Fund	Change	Description
Code Enforcement	General Fund	\$225,420	8.5 FTE for program start up; includes 6.0 FTE building inspector positions
Finance (Revenue)	General Fund	\$59,500	2.0 FTE for program start up
	Total	\$284,920	