

Rent Program Fee Study FY 2018-19

City Council Presentation
June 5, 2018

FY 2017-18 Rent Program Fee

- ▶ First year of Fee Program implementation
- ▶ 81% Compliance
- ▶ Collected over \$1.3 million
- ▶ Estimated Program expenditures of \$950,000
 - ▶ No director for six months
 - ▶ Delay in major projects

FY 2018-19 Fee Study Conducted by SCI

► In FY 17-18:

- City collected \$382,000 more than will be expended
- \$50,000 for FY 17-18 one-time expenses
- Balance of \$332,000

FY 2018-19 Fee Study Conducted by SCI

- ▶ FY 18-19 annual cost divided by # of units (\$1.6M divided by 13,389 = \$119/unit)
- ▶ Study Recommends:
 - ▶ Credit \$160,000 against FY 18-19 Fee
 - ▶ Retain \$160,000 for unanticipated Program expenses
 - ▶ Set fee of \$106/unit for FY 18-19

Next Steps

- ▶ Stabilize Program expenses over next few years
- ▶ Provide predictability in annual fee amount
- ▶ Conduct periodic fee study updates

Recommendation

- ▶ Adopt a Resolution Establishing a FY 18-19 Rent Program Fee of \$106/Unit