



City of Santa Rosa Rent Stabilization and Other Tenant Protections Ordinance Program Staffing, Cost, and Fee Estimate

City Council Meeting
August 30, 2016

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BACKGROUND

- The City has engaged Management Partners to assist with implementing the Rent Stabilization and Other Tenant Protections Ordinance (Ordinance).
- A portion of work includes providing an estimate of program cost and fees
- The consultant has worked with staff throughout the process of preparing the Ordinance
- The consultant's report has been received and is before the Council for adoption

METHODOLOGY

- Based on the Ordinance considered by the City Council at it's August 16, 2016 meeting
- Utilized a cost of service methodology to estimate necessary and reasonable costs
- Program cost estimates are susceptible to program activity (number of petitions, inquiries, outreach, etc.)
- Utilized existing City personnel classifications, pay and benefits, overhead estimates, and internal service charges

EXPENSE CLASSIFICATIONS

- General Program Administration
- Rent Petitions, excluding those related to Capital Improvement Plans
- Capital Improvement Plans
- Termination of Tenancies
- Support Staff
- Services and Supplies

PROGRAM & SUPPORT STAFF

| Existing Program Staff | | | |
|--|--------------------------------|-------------|--|
| Director Housing and Community Services | Housing and Community Services | 0.20 | Serves as Program Administrator |
| Administrative Services Officer | Housing and Community Services | 0.20 | General Program Administrative Support |
| Administrative Technician | Housing and Community Services | 0.20 | General Program Administrative Support |
| Assistant City Attorney | City Attorney's Office | 0.25 | Legal Assistance and consultation |
| Paralegal | City Attorney's Office | 0.15 | Program assistance |
| Subtotal Existing Positions | | 1.00 | |
| New Positions | | | |
| Housing and Community Services Manager | Housing and Community Services | 1.00 | Overall program coordination. Petition review, counseling, public outreach, etc. |
| Administrative Analyst | Housing and Community Services | 1.00 | Petition review, counseling, program material development, etc. |
| Senior Administrative Assistant | Housing and Community Services | 1.00 | Primary administrative support |
| Customer Services Representative | Finance | 0.50 | Program fee billing and collectibles |
| Subtotal New Positions | | 3.50 | |
| Total All Positions | | 4.50 | |

NON-EXEMPT UNITS SUBJECT TO THE ORDINANCE

| Unit Type | Housing Units |
|--|---------------|
| Total Housing Units | 66,605 |
| Non-Exempt Units | |
| Multifamily units constructed prior to February 1995 | 14,640 |
| Exempt Units | |
| Duplexes | 2,253 |
| Owner occupied triplexes | 57 |
| Governmental housing | 1,254 |
| Total Exempt Units | 3,564 |
| Total Non-Exempt Units | 11,076 |

BASIC STEPS IN DETERMINING PROGRAM PERSONNEL COSTS

- Estimated labor rate with benefits
- Estimated a composite hourly rate
- Identified primary activities, the amount of effort to complete these activities within each program area
- Applied this level of effort to the composite labor rate

BASIC STEPS IN DETERMINING PROGRAM PERSONNEL COSTS

- Discussions with staff regarding existing ongoing internal service charges
- Estimated on going services and supplies
- Estimated one-time costs

ESTIMATE TOTAL PROGRAM COST AND FEE

| Expense Category | FTE | Staffing Cost |
|---|-------------|--------------------|
| Rent Program Staffing | | |
| General Administration | 1.07 | \$139,240 |
| Petitions (excluding Capital Improvement Plans) | 1.44 | \$187,974 |
| Capital Improvement Plans | 0.19 | \$25,063 |
| Tenant Terminations | 0.85 | \$111,392 |
| City Support Staffing, Services and Supplies | | |
| Legal Staffing | 0.39 | \$81,215 |
| Finance Staffing | 0.51 | \$31,810 |
| Subtotal | 4.45 | \$576,694 |
| Services and Supplies | | \$671,980 |
| Total Annual Program Cost | | \$1,248,674 |
| Annual Program Fee (11,076 Eligible Units) | | \$113 |

ESTIMATE PROGRAM COST AND FEE FOR REMAINDER OF CURRENT FISCAL YEAR (FY 16/17)

| Item | Annual Estimate | Cost for FY 2016-17 |
|---|--------------------|---------------------|
| Rent Program Staffing | | |
| General Administration | \$139,240 | \$69,620 |
| Petitions (Excluding Capital Improvement Plans) | \$187,974 | \$93,987 |
| Capital Improvement Plans | \$25,063 | \$12,532 |
| Tenant Terminations | \$111,392 | \$55,696 |
| City Support Staffing | | |
| Legal Staffing | \$81,215 | \$40,607 |
| Finance Staffing | \$31,810 | \$15,905 |
| Subtotal Staffing Cost | \$576,694 | \$288,347 |
| Services and Supplies | \$671,980 | \$399,200 |
| FY 2016-17 10% Contingency | | \$74,405 |
| Cost | \$1,248,674 | \$818,464 |
| Partial Year Program Fee (11,076 Eligible Units) | | \$74 |

RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Council, by resolution, adopt the proposed Rent Stabilization and Other Tenant Protections Ordinance program staffing, cost, and fee estimate, and appropriate \$818,464 of General Funds subject to fee reimbursement, to operate the Program through June 30, 2017.