



Memorandum

TO: MAYOR REED
SUBJECT: BUDGET DOCUMENT

FROM: Councilmember Pierluigi Oliverio
DATE: May 22, 2013

Approved *Pierluigi Oliverio*
by P.F.

Date *May 22, 2013*

RECOMMENDATION

That the following recommendation be enacted.

Proposal

Program/Project Title:

Provide Funding for Two Additional Code Enforcement Inspectors Specifically for Apartment Inspection.

Amount of City Funding Required:

Total cost is \$243,284 (\$165,084 for two additional Code Enforcement Inspectors and \$78,200 for two vehicles and other associated non-personal costs).

Fund Type (i.e. General Fund, C&C funds, etc.):

The addition of two Code Enforcement Inspectors (CEI) and associated non-personal/equipment would increase the Multiple-Housing Occupancy Permit from \$43.81 per unit to \$46.99 per unit. This fee increase would fund two additional CEI, associated non-personal/equipment, and associated overhead costs (\$32,746) and would bring the program to 100% cost recovery. The overhead costs/revenue are not allocated as part of this proposal.

Proposal Description, including anticipated outcomes (describe how change would affect services for San José residents, businesses, community groups, etc.):

There are over six thousand apartment buildings in the City of San Jose. For the most part, an apartment can provide an affordable living option for many people. As such, apartments play an important role in our City.

The City of San Jose is responsible for inspecting all of the apartment buildings in addition to investigating complaints with regards to blight, landlord issues, etc. Therefore, a significant amount Code Enforcement time and resources go towards apartment building compliance. More frequent inspections may also avoid structural fires.

As a result of the already strained Code Enforcement Department, I propose that the City raise the Multi-Housing Occupancy Permit Fee for apartment owners. An increase would then pay for the two additional code enforcement inspectors, associated vehicles, and non-personal expenditures and replenish the funding source so that the hiring of additional inspectors will be cost-neutral.

Funding Source

Essential Services Reserve (\$2 million)

X Other (Program/Project/Fund): Multiple-Housing Occupancy Permit Fee Revenues

Department or Organization Contact (list contact information for the individual that certified cost estimates contained within your recommendation):

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This change is:

One-time **X** Ongoing

The City Service Area to which the change best relates:

- Community and Economic Development Services
- Environmental and Utility Services
- X** Neighborhood Services
- Public Safety
- Strategic Support
- Transportation and Aviation Services