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STAFF REPORT
City of Lancaster, California

Date: January 23, 2007

To: Mayor Hearns and City Council Members

From: Geri K. Bryan, CMC, City Clerk

Subject: **Consideration of Adoption of Ordinance No. 869**

Recommendation:
A) Adopt Ordinance No. 869, an ordinance of the City Council of the City of Lancaster, California, adopting Chapter 5.40 of the Lancaster Municipal Code establishing a Rental Housing Business License and Preservation Program.

B) Adopt Resolution No. 07-19, which amends Resolution No. 07-12, regarding the Business License Rental Inspection fee for the Rental Housing Business License and Preservation Program.

Fiscal Impact:
Increase permanent staff by adding three Code Enforcement Officers and one administrative clerk in the Code Enforcement Division of the Housing & Neighborhood Revitalization Department to implement the Rental Inspection Program and the Group Home Ordinance. Hiring of additional staff will require an on going annual increase to the budget as follows: $273,000 salaries and fringe benefit, $9,000 vehicle fuel, $1,350.00 for uniforms and one time increase of $17,000 for office equipment, furniture and supplies and $60,000 to purchase vehicles. The budget amend above reflects salary costs and rental inspection revenues for 6 months

The proposed fees are as follows: $60.00 fee per facility for processing the Rental Housing Business License, $93.00 fee for the inspection of the first rental unit and a $23.00 fee per each additional rental unit. The Rental Housing Business License fees are estimated to produce $315,000 to cover the cost to administer the business licensing process. The Rental Housing Inspection fees are estimated to produce $520,000 to cover the cost to operate the Rental Housing Inspection Program.

Background:
At the January 9, 2007 meeting, the City Council approved the introduction of Ordinance No. 869 by the following vote:

AYES: Council Members: Jeffra, Smith, Visokey, Vice Mayor Sileo, Mayor Hearns
NOES: None
ABSTAIN: None
ABSENT: None