



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 04/22/03
AGENDA ITEM 6
WORK SESSION ITEM _____

TO: Mayor and City Council
FROM: Director of Community and Economic Development
SUBJECT: Revised Administrative Fees for the Residential Rental Housing Inspection Program

RECOMMENDATION:

It is recommended that the City Council adopt the attached resolution finding this action exempt from CEQA and approving the revised fees and penalties for administering the Residential Rental Housing Inspection Program.

DISCUSSION:

On April 1, 2003 the City Council held a public hearing to consider proposed revisions to the Residential Rental Housing Inspection Program. At that hearing, Council reviewed the proposed changes to the program structure, fees and penalties. At that time, staff indicated that implementing documents would be returned to Council for formal adoption of the revised fee and penalty structure.

The modifications to the Residential Rental Inspection Program (RRIP) fee and penalty schedule would have the following components:

- Fees for surveys and progress checks would be increased from \$100/parcel and \$40/unit to \$150/parcel and \$60/unit to adjust for inflation since fees were last increased in 1993.
- The fee for a first progress check will be waived if the violation has been corrected. This waiver will result in an average reduction under the revised fee schedule of 25% for units brought into compliance prior to the first progress check.
- Penalties for lack of timely compliance will be raised and will increase exponentially to provide a greater incentive for maintenance of the housing stock.
- An annual per unit administrative fee will be instituted for all rental units. This fee will be \$5 per unit for complexes with five or more units. For single-family units, duplexes, triplexes and four-plexes, a flat fee of \$20 will be charged.

As previously discussed, the current program recovers on average half of its cost in fees. The proposed increase in existing fees (Exhibit A) is designed simply to cover the cost of inflation since the fees were last increased in 1993. The change in the structure of penalties is designed to move from an arithmetic progression to an exponential one in order to maximize the incentives for speedy compliance. Upon adoption these fees will be incorporated in the Master Fee Schedule and will take effect July 1, 2003.

Environmental Review

The proposed changes to the Rental Housing and Hotel Inspection Fees and Penalties have been reviewed in accordance with the California Environmental Quality Act (CEQA) Guidelines. It was determined that pursuant to section 15273, CEQA does not apply to this action.

Prepared by:


Sylvia Ehrenthal, Director of Community and
Economic Development

Approved by:


Jesús Armas, City Manager

Exhibits: A. Rental Housing and Hotel Inspection Fees and Penalties
Resolution

EXHIBIT A

RENTAL HOUSING AND HOTEL INSPECTION FEES AND PENALTIES

C. RENTAL HOUSING AND HOTEL INSPECTION FEES AND PENALTIES

1. Annual fee for rental housing, hotel or motel units not located in designated focus area.
 - a. Single family, duplex, triplex, or fourplex \$20
 - b. Five or more units \$5 per unit

2. Request for postponement of initial inspection or progress check
 - a. First request No charge
 - b. Second request \$200 penalty

3. Inspection, report and enforcement actions pursuant to HMC, Ch. 9, Art. 5
 - a. Initial inspection of parcel containing two or more rental housing units a hotel or motel
 - (1) No violations found No charge
 - (2) Violations found \$150/parcel + \$60/unit or hotel/motel room with violation

 - b. Progress Checks
 - (1) First Progress Check
 - (a) Violations corrected No Charge
 - (b) Violations not corrected \$150/parcel + \$60/unit or hotel/motel room with violation
 - (2) Second Progress Check \$150/parcel + \$60/unit or hotel/motel room with violation + \$200
 - (3) Third Progress Check \$150/parcel + \$60/unit or hotel/motel room with violation + \$400
 - (4) Fourth Progress Check \$150/parcel + \$60/unit or hotel/motel room with violation + \$800
 - (5) Fifth and subsequent re-inspections \$150/parcel + \$60/unit or hotel/motel room with violation + \$1000.

 - c. Initial inspection of parcel containing one single- family rental unit (including condominium or townhouse)
 - (1) No violations found No Charge
 - (2) Violations found \$150

d.	Progress Checks	
(1)	First Progress Check	
	(a) Violations corrected	No Charge
	(b) Violations not corrected	\$150/parcel
(2)	Second Progress Check	\$150/parcel + \$200 penalty
(3)	Third Progress Check	\$150/parcel + \$400 penalty
(4)	Fourth Progress Check	\$150/parcel + \$800 penalty
(5)	Fifth and subsequent re-inspections	\$150/parcel + \$1000 penalty
e.	Concurrent Initial Inspection of two or more single-family dwelling units/same owner	
	(a) No violations found	No Charge
	(b) Violations found	\$150/parcel + \$60/unit
f.	Progress Checks	
(1)	First Progress Check	
	(a) Violations corrected	No Charge
	(b) Violations not corrected	\$150/parcel + \$60/unit
(2)	Second Progress Check	\$150/parcel + \$60/unit + \$200 penalty
(3)	Third Progress Check	\$150/parcel + \$60/unit + \$400 penalty
(4)	Fourth Progress Check	\$150/parcel + \$60/unit + \$800 penalty
(5)	Fifth and subsequent re-inspections	\$150/parcel + \$60/unit + \$1000 penalty
4.	Initial Inspection or Progress Check - No Access	
a.	No access – First Site Visit	No charge
b.	No access – Second Site Visit	\$200
c.	No access – Third Site Visit	\$400
d.	No access – Fourth Site Visit	\$800
e.	No access – Fifth and Subsequent Site Visits	\$1000
5.	Rent Control Deregulation Inspection pursuant to Ord No. 83-023, as amended	
a.	Initial inspection/survey and one re-inspection	\$300/unit
b.	Concurrent initial inspection/survey and one re-inspection of two or more units/same owner/same development	\$300 1 st unit + \$60 each additional unit
c.	Additional non-concurrent re-inspections	\$150/unit
6.	Lien (per parcel)	\$150

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. _____

Introduced by Council Member _____

mae
4/15/03

RESOLUTION AMENDING THE MASTER FEE SCHEDULE
TO REVISE FEES AND PENALTIES FOR
ADMINISTRATION OF THE RESIDENTIAL RENTAL
INSPECTION ORDINANCE

WHEREAS, section 15273 of the California Environmental Quality Act Guidelines states that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are necessary for the purpose of meeting operating costs;

BE IT RESOLVED, by the City Council of the City of Hayward that the Master Fee Schedule is hereby amended to revise the fees and penalties for administration of the Residential Rental Inspection Ordinance as set forth in Exhibit A hereto.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2003

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward