

TRANSMITTAL

To:

THE COUNCIL

Date: 01/19/2016

From:

THE MAYOR

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.

A handwritten signature in blue ink, appearing to read 'Eric Garcetti', is written over a light blue circular stamp.

(Ana Guerrero)

ERIC GARCETTI
Mayor



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

Regulatory Compliance & Code Bureau

1200 West 7th Street, 8th Floor, Los Angeles, CA 90017
tel 213.808.8888 | toll-free 866.557.7368
hcidla.lacity.org

January 15, 2016

CF No.: 14-0268-S3
Council District: Citywide
Contact Persons:
Marcella DeShurley (213) 922-9681
Anna Ortega (213) 808-8551
Roberto Aldape (213) 808-8826

Honorable Eric Garcetti
Mayor, City of Los Angeles
200 North Spring Street, Room 303
Los Angeles, California 90012

Attention: Mandy Morales, Legislative Coordinator

**REPORT BACK ON EXPANDING THE ANNUAL REGISTRATION OF RENTAL UNITS
SUBJECT TO THE RENT STABILIZATION ORDINANCE (RSO) TO INCLUDE RENTAL
RATE DATA**

SUMMARY

The recommendation to register rents subject to the RSO is included in the Mayor's Sustainable City pLAn in the context of collecting data to better target affordable housing preservation. Executive Directive Number 7 further instructs City Departments to utilize the pLAn as a tool in strategic planning and prioritization of programs. On April 22, 2015, Councilmembers Gilbert A. Cedillo and Curren D. Price introduced a motion (Council File 14-0268-S3) instructing the Housing + Community Investment Department (HCID) to report back on the feasibility of expanding the yearly registration renewal application to include information of the rent rate for each unit and whether or not each unit was vacated and/or decontrolled in the past year. The HCID respectfully submits this report outlining options for a RSO rent registry program that support the objectives of the City's Sustainable City pLAn.

RECOMMENDATIONS

The General Manager of the HCID respectfully requests that:

- I. Your office schedule this report back at the next available meeting(s) of the appropriate City Council committee(s) and forward it to City Council for review and approval immediately thereafter;

II. The City Council:

- a. Instruct the HCID on a recommendation for the adoption of a rent registry amendment to the Rent Stabilization Ordinance (RSO) as described in Option A, B, or C of this report;
- b. Direct the HCID to provide the Mayor and City Council with a fee analysis report to develop a rent registry system and ensure the staff resources necessary to implement a RSO Rent Registry Program as approved by the City Council;

III. Instruct the City Attorney together with the HCID to draft an ordinance to amend the RSO in accordance with the Option selected by the City Council; and

IV. The Mayor concur with the action of the City Council.

BACKGROUND

The City Council adopted the Rent Stabilization Ordinance (RSO) in May 1979 to safeguard tenants from excessive rent increases while providing landlords with just and reasonable returns from their rental units. The RSO requires the annual registration of rental units, regulates allowable rent increases and evictions, and requires payment of relocation assistance for tenant no-fault evictions.

The administration of the RSO is funded entirely by the annual rent registration fees of \$24.51 per unit collected from landlords of rental units subject to the RSO. The cost is shared equally between landlords and tenants, with 50% of the fee eligible to be passed through to the tenants as a lump sum surcharge payable in the month of June. The registration fee is due annually on the first day of January and deemed delinquent if not paid on or before the last day of February. If the registration fee is not paid, a landlord cannot demand or accept rent for a rental unit per LAMC 151.05. The RSO does not require the registration of rent rates for rental units.

In conjunction with the approval of the HCID's 2015-16 budget, on April 22, 2015, Councilmembers Cedillo and Price introduced a motion (Council File 14-0268-S3) instructing the HCID to report back on the feasibility of expanding the yearly registration renewal application to include information of the rent rate for each unit and whether or not each unit was vacated and/or decontrolled in the past year.

Rent Registry Provisions and Enforcement in Other Rent Control Jurisdictions

The Los Angeles RSO differs from other California rent controlled jurisdictions, such as the cities of Santa Monica and West Hollywood, because, historically, the Los Angeles ordinance was designed as a rent *stabilization* program, rather than strict rent *control* law. Since its adoption, the RSO allowed vacancy decontrol which permits landlords to establish the rent at "market" upon a voluntary vacancy or an at-fault eviction, as opposed to cities with true rent *control*, which controlled rent levels between vacancies and required the initial registration of rents for all units subject to their rent control law. The Costa Hawkins state law adopted in 1995 mandated that all rent control jurisdictions must allow for the decontrol of rents upon voluntary vacancies. This dramatically changed the rules for regulation of rents for most rent-control jurisdictions, but did not significantly impact Los Angeles, which already allowed vacancy decontrol and operated without the requirement to register rents. The RSO does not require landlords to provide information on rent rates when they register rental units; landlords are simply required to register the number of RSO units rented.

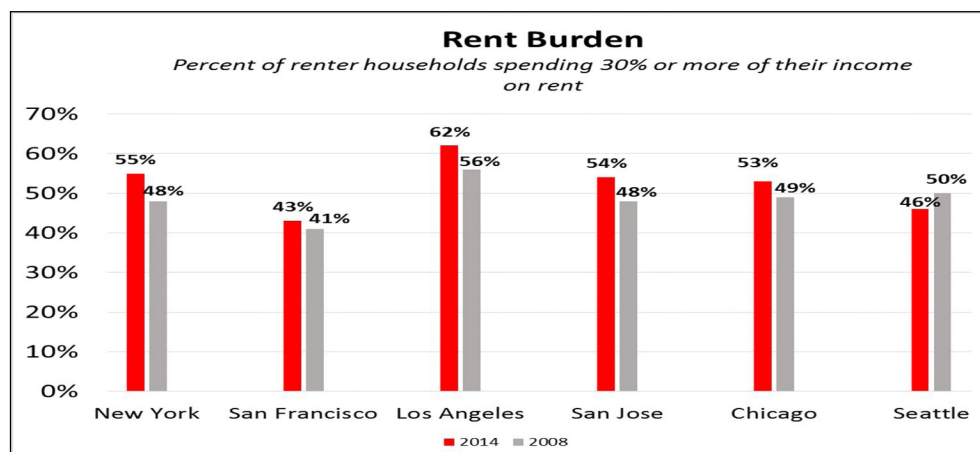
HCID staff met with Santa Monica and West Hollywood Rent Board staff to review their rent registration programs. Both Santa Monica and West Hollywood do not collect annual rental unit rate data from landlords. Rather they require that landlords re-register rent rates upon the inception of a tenancy. The re-registration includes information regarding the prior tenancy, such as the date and the reason the prior tenant vacated the unit. It also requires new tenancy information, including the monthly rent amount, bedroom size, surcharges collected and housing services provided. This allows each jurisdiction to establish the Maximum Allowable Rent (MAR) for each rental unit by applying the annual allowable increase percentage to the rental rate on file. Landlords who fail to register a tenancy are not permitted to pass through rent increases otherwise allowed under the ordinance. The City of West Hollywood may also levy monetary penalties and possible criminal prosecution for failure to re-register a rental unit following a vacancy. Unlike Los Angeles, Santa Monica allows “banking” of rent increases; the rent published for a rental unit in Santa Monica is the “Maximum Allowable Rent,” rather than the actual rent.

Los Angeles has the second largest rent stabilized housing stock in the nation. New York City, the largest rent control jurisdiction in the nation, administers a complex two-tiered rent control/stabilization system and collects annual rental rate data for all units subject to rent-stabilization. This assists the city in protecting the status of the stabilized stock as well as monitoring rental increases to existing and new tenants.

Justification and Benefits of a Rent Registry Program

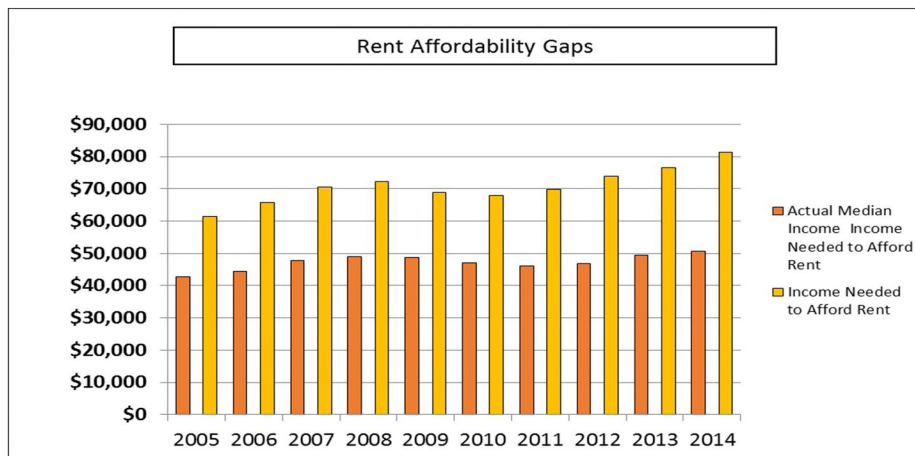
The 2009 Economic Study of the Los Angeles RSO, conducted by the Economic Roundtable under a consulting contract with the HCID, included a recommendation to require the annual registration of rents based upon the Study’s findings that a significant minority (estimated at 27%) of landlords may have been imposing unauthorized rent increases, and that the tenants most affected were low-income. In fiscal year 2014-15, the Rent Division received 7,920 tenant complaints of violations of the RSO; 24% of these were based on illegal rent increases. The creation of a rent registry would provide a monitoring system which could flag illegal rent increases.

Los Angeles now has the largest number of rent burdened households (spending more than 30% of their income on rent) among major U.S. cities. In 2014, the Los Angeles median income was only \$50,544¹, but families needed to earn \$81,240 to afford the average rent of \$2,031². The wide differential between rent and income is why Los Angeles is one the most unaffordable cities for renters with the largest number of rent burdened households.

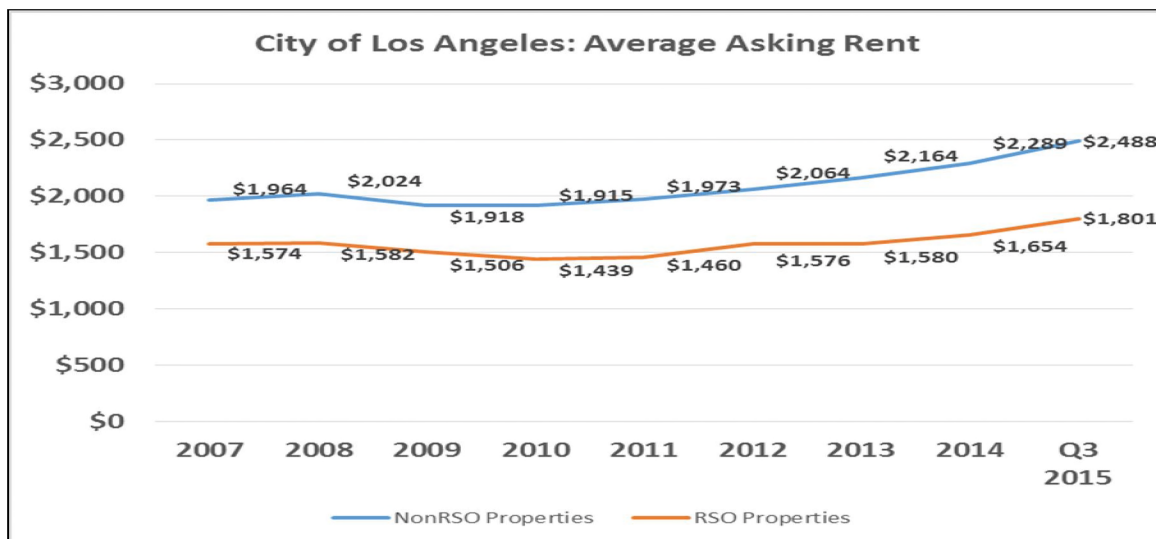


¹ U.S. Census. American Community Survey 2014

² Real Facts Online. City of Los Angeles, Average Asking Rent 2014, includes both RSO & non-RSO units.



The rent for RSO and Non-RSO market rate units varies greatly with RSO units renting at \$1,654 in 2014 while Non-RSO reported an average rent of \$2,289. Persistently low wages in relation to increasing rent levels has resulted in a marked income gap for renters seeking to rent an apartment in Los Angeles. Today, the rent differential between RSO units and non-RSO units is \$635, compared to \$390 in 2007 and is attributable to both the older nature of the RSO housing stock as well as the RSO annual limitations on allowable rent increases. A rent registry requirement would be an important tool to ensure that all rent increases comply with the RSO and ensure the protections of the RSO for the City's renters.



The occupancy rate differential between RSO and Non-RSO rental units today is 4.5%, which is the largest differential seen in the last 9 years. The RSO occupancy rate has persistently remained strong, never dipping below 95.1%.

Occupancy Rates (Real Facts)									
	2007	2008	2009	2010	2011	2012	2013	2014	Q3 2015
RSO	96.5%	95.5%	95.1%	95.4%	95.8%	96.3%	96.3%	96.3%	97.4%
Non-RSO	93.1%	91.6%	92.8%	92.9%	93.6%	95.0%	94.2%	92.3%	92.7%

Overall, the data on the differences in both rents and occupancy rates for RSO and non-RSO apartments highlights the importance of improved monitoring of compliance with the RSO provisions on allowable rent increases in order to safeguard the RSO stock and its corresponding lower rents.

Inadequacy of Existing Data Sources on Rental Rates

There is currently no accurate source of real data on rents for the majority of rent-stabilized units. The HCID has historically relied on the U.S. Census, the American Community Survey (ACS) and Real Facts, a private rental data vendor, but all have limitations. The U.S. Census data is gathered through a random sampling of Los Angeles County and the American Community Survey (ACS) is based on a sampling of both RSO and non-RSO units. Real Facts provides information on RSO properties with 100+ units entering the rental market, which are typically newer, professionally managed properties. Real Facts does not capture data on the older, smaller “mom and pop” stock, which comprises the bulk of RSO inventory. Sixty-eight percent (68%) of the City’s rent stabilized stock consists of properties with less than five units. While the existing data sources provide general aggregate information about the City’s housing stock, the data is inadequate to track rents for RSO enforcement purposes. Development of public policies that adequately protect the existing rental housing stock and encourages construction of replacement units requires a thorough understanding of the rental rates in the RSO housing stock.

Options for a Los Angeles Rent Registry Program

The HCID has reviewed the recommendations of the 2009 Rent Study, together with programs in other rent-controlled cities, and discussed systems development with programming specialists and enforcement with the City Attorney. The following design options are possible models for development of a program to effectively administer a rent registry program, which would require registration of rent levels and indicate whether the rent had been decontrolled since the last reporting period. Under all three options, the HCID proposes to verify the accuracy of rents reported by notifying tenants (i.e. by postcard) of the rent reported by their landlord and providing tenants the opportunity to dispute the reported rent information. Disputes will be investigated under the existing RSO Investigations and Enforcement program, which investigates reported violations of the RSO. Compliance will be ensured by requiring rent rate information in order to obtain the annual rent registration statement that is necessary to rent RSO units. Information on rents reported would be available online and through the HCID’s normal communication channels, with consideration for safeguards for tenant privacy.

Option A: Require Annual Registration of Unit Rents

The first option would require annual registration of current rents for all RSO rental units at the time of the annual RSO rental unit registration in January and February when landlords pay their yearly RSO and Systematic Code Enforcement Program (SCEP) fees. As is the case with the current process, landlords would be able to submit the rent amounts for each RSO rental unit via the existing HCID online billing portal, by U.S. mail, or at the public information counters.

Option A requires annual reporting of rent rates by adding an additional ministerial step to the current registration process. The reported rates will be accurate as of the date of submission. This option will not provide actual rental rates for RSO units throughout the year, as rent rates can be legally increased or reduced for various reasons, including imposition of the annual allowable rent increase, which can be done at any time at least twelve months after the last annual rent increase; increasing the rent for additional tenants or agreed upon additional services; increases for approved passthroughs for capital improvements, primary renovation work, and rehabilitation

work; and increases upon vacancy decontrol. Option A would provide annual rent information for RSO properties throughout the City while balancing the need to adequately track rent rate information with the goal of adopting a program which is not unduly burdensome on landlords. For these reasons, Option A is our recommendation. However, alternatives are offered for your consideration.

Option B: Require Registration of Unit Rents Annually and Upon Re-Rental

Under Option B, in addition to registering rent levels annually, landlords would also be required to report the rent amount within 60 days upon the re-rental of a unit to a new tenant. This option would provide the greatest accuracy in terms of reporting actual rents for RSO units. This type of rent reporting requirement would enable the Department to monitor whether landlords properly set the rent for a new tenant and whether a unit's rent is decontrolled, as not all re-rentals allow decontrol of the unit's rent. Rent rate update forms would be accepted throughout the year and could be submitted through various existing methods including online. Option B would provide the most timely and accurate rent rate information for the City's RSO rental units, but would also require slightly more resources for implementation and more frequent reporting by landlords.

Option C: Registration of Rental Rates for All RSO Units One-Time and Upon Re-Rental

As opposed to registering rent amounts for each RSO rental unit on an annual basis as proposed in Options A and B, under Option C, landlords would provide the rents for all their RSO units once and, thereafter, only upon re-rental. This is actually the method utilized by Santa Monica and West Hollywood, which publishes the Maximum Allowable Rent for units subject to their rent control law, based on their database of historical rents. As explained at the beginning of this report, Los Angeles does not have such a historical rent database and does not allow "banking" of rent increases.

Rents for all units subject to the RSO would be collected universally one time; thereafter, landlords would only be required to update the rent rate information within 60 days of the re-rental of a unit to a new tenant. In between tenancies, the rent rate could be estimated by calculating the rent based on the annual allowable rent increase percentage, but there would be no systemic way to confirm the actual rent rate except on a case by case basis. When providing information to the public, City records would disclose the Maximum Rent for a unit, but not the actual rent. Option C would be the least burdensome alternative for landlords, but would also provide the least accurate information on actual rent levels of the City's RSO units. Additionally, it would be more difficult to obtain compliance with Option C, since the City has no way to ascertain when a RSO unit is re-rented, making enforcement problematic.

Any of the three options will strengthen the Department's outreach efforts to educate both tenants and landlords on their rights and responsibilities under the RSO and enable the Department to comprehend the RSO housing stock by capturing the following types of valuable data:

- Data on rent levels, turnover rates, and geographic variations in rent, including rent trends by area/neighborhoods, will offer meaningful insight into rental market conditions.
- Improved monitoring of rents at properties proposed for conversion, demolition or removal from the rental market ("Ellis" removals).

- Analysis of affordability between market-rate units with vacancy decontrol compared to long-term RSO units which have not been decontrolled.
- Percentage of units for which the allowable annual increase has not been implemented, which will facilitate outreach to landlords on permissible annual rent increases and cost recovery programs allowed under the RSO.
- The availability of rent rate information will be valuable to new landlords who acquire properties through foreclosure or from property owners who fail to provide rent records or tenant estoppels upon the sale of occupied properties.
- A documented base rent for units subject to the Rent Escrow Account Program (REAP).
- The rent data will support the implementation of “No Net Loss” policies such as AB 2222 which help stabilize communities by requiring the one-for-one replacement of rent-stabilized and affordable housing units.
- Mailing address information for each rental unit will enhance the Department’s outreach efforts and enable the Department to contact tenants to provide pertinent updated information. Currently, the Department has only landlords’ mailing addresses.

Ultimately, the rent registry will build a historical record of rent trends for the City’s rent-stabilized housing stock and deter unlawful rent increases on tenants in RSO properties.

Rent Registry Program Design, Cost Estimate & Staffing

The Department has made significant progress in updating systems capacity, including development and upgrade of the Billing Information Management System (BIMS) and the launch of an enhanced RENT system on July 1, 2014, making the implementation of a rent registry program more feasible than in the past. Nevertheless, implementation of this program would be a significant change in the administration of the RSO and would require additional one-time resources to develop the system and on-going resources to administer the program, input data not submitted electronically by landlords (approximately 77% of properties), verify reported rent levels and investigate discrepancies. A rent registry program would generate additional customer service inquiries, research and records requests under the California Public Records Act (CPRA), and trigger increased tenant complaint investigations.

There are approximately 118,000 properties throughout the City of Los Angeles subject to the RSO, including apartments, condos, co-ops, rooming houses, mobile home parks, hotels and motels. Currently, the HCID Rent Division has 80 authorized positions to carry out the various existing RSO programs, which regulate over 623,000 rental units, almost 8,000 units per employee, compared to the cities of Santa Monica and West Hollywood with roughly 1,000 units per employee. Only about 23% of landlords register their properties online; the remaining 77% are mailed or hand-delivered at our public counters. This means that, under Options A and B, the rent data on approximately 480,000 units a year would need to be captured and in many cases entered manually. Due to the scale of the rent-stabilized housing stock in Los Angeles together with the anticipated substantial increase in requests for information, services and investigations, the HCID will need to increase the number of full-time staff in order to effectively administer a rent registry program.

COMPARISON OF RENT CONTROL CITIES

City	Registration Fee	Rent Stabilized Units	# Rent Staff (Unit Ratio)	# Staff for rent registry/rental unit registration (Unit Ratio)
Berkeley	\$213/unit	19,000	21 (905)	6 (3,167)
Santa Monica	\$174.96/unit	28,069	25 (1,123)	2 (14,035)
West Hollywood	\$120/unit	16,544	18 (919)	4 (4,136)
Los Angeles - current	\$24.51/unit	623,000	80 (7,800)	n/a

The proposal to amend the RSO to require the registration of rental units will be a significant change in the administration of the RSO. The fiscal impact will depend on the option selected by the City Council, but will require substantial additional resources to administer a rent registry and its impact on existing functions including customer service, systems, and investigation of RSO violations. Additionally, adoption of a rent registry will require lead time to develop and implement a computer system to administer the program. This would require the development and implementation of a database to intake, monitor and query rent information submitted by landlords, as well as produce tenant notifications. The new rent registry system would need to be integrated with existing HCID systems. Development and implementation of a rent registry system is estimated to take several months and cost approximately \$250,000.

Because the RSO program is funded entirely by the RSO rental unit registration fee, split 50% - 50% between landlords and tenants, the annual rental unit registration fee would need to be adjusted to fund this new requirement. Due to the number of units subject to the Los Angeles RSO, the fee adjustment necessary to fund a rent registry program is projected to be approximately \$2.47 to \$3.68 per unit per year, depending on the option adopted. This fee increase would cover systems implementation and ongoing staffing needs, including an annual tenant notification to more than 600,000 tenant households under Options A and B. (Under Option C, the tenant verification mailing would be done citywide on a one-time basis only; thereafter, the mailing would occur for new tenancies only.) Minimum additional staff needed for program implementation includes: a Housing Investigator I, a Management Analyst I, a lead Management Analyst II, a Communications Information Representative, a Programmer Analyst, four clerical support staff, and two seasonal as-needed support staff. Staff resources are needed to handle both the direct rent rate registration and tenant notifications, including data entry for an estimated 480,000 units owned by 77% of landlords who do not submit data electronically, as well as the increased customer service inquiries, CPRA requests, landlord-tenant disputes and investigations of alleged illegal rents that would be generated by the new registry program. Preliminarily, we estimate that it would cost about \$1.8 million dollars per year to administer Option A, while funding would need to be increased to \$2 million (15%) for Option B, the most comprehensive alternative. The difference between the two options on the projected annual RSO fee, however, is only forty-seven cents per unit per year. While design and implementation costs are close for all three options, the cost of administration of the rent registration system under Option C, which would require re-registration of rents only upon re-rental, would drop after the third year of operation, once all initial rents were collected. The following chart provides a preliminary estimate and cost comparison for the three options.

PRELIMINARY COST COMPARISON OPTIONS A, B, C

OPTION	# Staff	Cost of Implementation Year 1	Annual Maintenance Cost Years 2 - 3	Future Years	Estimated Adjustment to RSO Fee Required (annual)
Option A: Yearly Rent Registration	11	\$1,976,730	\$1,776,730	\$1,776,730	\$ 3.21
Option B: Yearly Rent Registration + Upon Re-Rental	13	\$2,235,068	\$2,037,279	\$2,037,279	\$3.68
Option C: Registration of Rents Upon Re-Rental after Initial Registration	11	\$1,976,811	\$1,779,022		\$3.22
	8			\$1,365,520	\$2.47

The attachments to this report preliminarily identify the staff and systems resources needed for implementation of each option. The HCID will report back to the City Council on staffing requirements and financing costs necessary to implement the program.

SUMMARY

The purpose of a rent registry is to obtain accurate and reliable data on the actual rents in RSO units and monitor the affordability of the City's rental housing stock. The rent registry would also discourage illegal rent increases in the City's RSO rental units and provide tenants a measure of protection against unwarranted rent increases. In designing a rent registry program, the HCID's goal is to ensure that the data collected by landlords is used in an efficient and effective manner to aid in the assessment of the City's housing stock and obtain valuable information that will assist tenants, landlords, and policy makers to assess trends and changes in the City's rent stabilized housing stock.

Option A balances the need to track rent rate information on an annual basis by requiring an additional ministerial step to the current RSO registration process and would be the least burdensome to landlords, while still providing yearly data on rent rates for RSO units citywide. Option B would provide the most accurate rental data, by requiring landlords to provide rent information during the annual registration process as well as upon turnover, but would require more resources to implement and administer. Option C is similar to the systems utilized by Santa Monica and West Hollywood, which track historical maximum allowable rents, but would provide the least reliable data about actual rents. On balance, the HCID recommends Option A to meet the City's objectives.


Skyrocketing Los Angeles real estate prices exacerbate a worsening housing affordability crisis, emphasizing the need to safeguard the City's rent stabilized housing stock and enforce the RSO provisions which protect tenants against steep rent increases. Taken together, the severe rent burden of Los Angeles renters, the rent differential between RSO and non-RSO rents, the historically low vacancy rate for RSO units, combined with pressure for evictions of low-income renters and gentrification in certain areas of the City, support the need to better monitor rent levels and rent increases in RSO units. A rent registry program would support the core purpose of the RSO to protect tenants against excessive

rent increases while simultaneously providing City policy-makers data, not currently available from any other source, to understand the impact of market-rent vacancy increases, Ellis Act evictions, and the status of controlled/stabilized rental housing. The registry will discourage illegal rent increases and have an immediate impact by ensuring that all tenants in RSO units are aware that their rental units are subject to the RSO as well as their unit's reported legal rent. Additionally, a rent registry for RSO units would provide important data that would assist policy makers in designing programs and policies to protect the stock of RSO rental units.

FISCAL IMPACT

These changes to the RSO have no impact on the General Fund, but will require an increase in the annual rental unit registration fee.

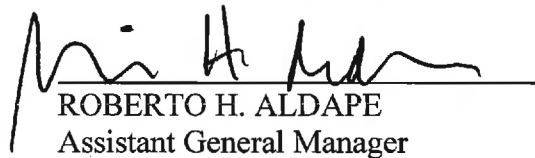
Prepared By:


MARCELLA H. DESHURLEY
Senior Housing Investigator II

Reviewed By:


ANNA ORTEGA
Director, Rent Stabilization Division

Reviewed By:


ROBERTO H. ALDAPE
Assistant General Manager

Reviewed By:


LAURA K. GUGLIELMO
Executive Officer

Approved By:


RUSHMORE D. CERVANTES
General Manager

Attachments

HOUSING AND COMMUNITY INVESTMENT DEPARTMENT

Rent Registry Program

Preliminary Costs Option A

FISCAL YEAR 2016-17

Revised : January 14, 2016

STAFF:

CODE	PG	CLASS	A TOTAL HOURS PER POSITION	B HOURLY RATE (based on W & C)	C DIRECT SALARIES	Hourly Rate (WYC)	D CTO RATE CAP 37 19.20%	E TOTAL CTO	F TOTAL DIRECT SALARIES PLUS CTO	G CAP 37 (FRINGE & OTHER)	H RELATED COSTS PER CAP 37	I EXPENSES & OT %	J ALLOCATE OTHER COSTS	K TOTAL DIRECT COSTS	L HCID GASP RATE	M HCID GASP COSTS	N TOTAL BILLABLE COSTS
					A x B			C x D	C + E		F x G		F x I	F + H + J		K x L	K + M
			2,080		-			-	-	60.36%	-	8.84%	-	-	19.80%	-	-
1358	0	Administrative Clerk	2,080	\$25.10	52,208			-	52,208	60.36%	31,513	8.84%	4,615	88,336	19.80%	17,491	105,826
1358	0	Administrative Clerk	2,080	\$25.10	52,208			-	52,208	60.36%	31,513	8.84%	4,615	88,336	19.80%	17,491	105,826
1358	0	Administrative Clerk	2,080	\$25.10	52,208			-	52,208	60.36%	31,513	8.84%	4,615	88,336	19.80%	17,491	105,826
1358	0	Administrative Clerk (As-Needed)	999	\$25.10	25,075			-	25,075	26.59%	6,667	8.84%	2,217	33,959	19.80%	6,724	40,683
1358	0	Administrative Clerk (As-Needed)	999	\$25.10	25,075			-	25,075	26.59%	6,667	8.84%	2,217	33,959	19.80%	6,724	40,683
1368	0	Senior Administrative Clerk	2,080	\$31.46	65,437			-	65,437	60.36%	39,498	8.84%	5,785	110,719	19.80%	21,922	132,641
1461	1	Communication Information Rep I (CIR)	2,080	\$26.27	54,642			-	54,642	60.36%	32,982	8.84%	4,830	92,454	19.80%	18,306	110,759
8516	1	Housing Investigator I	2,080	\$36.15	75,192			-	75,192	60.36%	45,386	8.84%	6,647	127,225	19.80%	25,191	152,415
9184	1	Management Analyst I	2,080	\$37.26	77,501			-	77,501	60.36%	46,779	8.84%	6,851	131,131	19.80%	25,964	157,095
9184	2	Management Analyst II	2,080	\$44.50	92,560			-	92,560	60.36%	55,869	8.84%	8,182	156,612	19.80%	31,009	187,621
1431	4	Programmer Analyst IV	2,080	\$50.69	105,435			-	105,435	60.36%	63,641	8.84%	9,320	178,396	19.80%	35,322	213,719
Budget Unit Updated Total					\$677,540			-	\$677,540		\$392,028		\$59,895	\$1,129,462		\$223,634	\$1,353,096

DEVELOPMENT, IMPLEMENTATION & PROGRAM:

Cloud Platform (Salesforce)	\$66,048.00
Document Capture Software/ Licenses (Captricity)	\$90,000.00
Design & Intergrate w Existing Systems	(one-time) \$200,000.00
	\$356,048.00

Printing Exp. (110,000 pieces) for LL	\$5,226.70
Printing Exp. (600,000 pieces) for T	\$31,360.00
Postage Exp. (Standard 10 days)	\$231,000.00
	\$267,586.70

Cost of Implementation **Year 1: \$1,976,730.69**
Annual Ongoing Maintenance Cost: **\$1,776,730.69**

Staff Cost Notes:

1. **Column A (Total Hours Per Position):** Reflects 12 months. All hours above reflects 100% of staff time devoted to the Program

2. **Column B (Hourly Rate):** Hourly Rate based on CAO's 2016 Wage & Count. Wages and Count averages gross salaries of employees within the same classification.

3. **Column D (CTO Rate):** CTO Rate of 19.20% per CAP 37 Rates. CTO rate is omitted since gross salaries were used (Wages & Count). CTO is only applied when salaries used are net salaries.

4. **Column G (CAP 37 Rate):** Final CAP 37 Rate of 60.36% for Enforcement Cost Center

5. **Column I (Expenses and OT %):** Expense & Overtime for Rent Registry Staff, based on the Adopted Budget FY 2015-16 Budget. Assumes staff will be at Garland/Fig Plaza and Fig Plaza rates will be similar to Garland's lease rates.

HOUSING AND COMMUNITY INVESTMENT DEPARTMENT

Rent Registry Program

Preliminary Costs Option B

FISCAL YEAR 2016-17

Revised : January 14, 2016

STAFF:

CODE	PG	CLASS	A TOTAL HOURS PER POSITION	B HOURLY RATE (based on W & C)	C DIRECT SALARIES	Hourly Rate (WYC)	D CTO RATE CAP 37 19.20%	E TOTAL CTO	F TOTAL DIRECT SALARIES PLUS CTO	G CAP 37 (FRINGE & OTHER)	H RELATED COSTS PER CAP 37	I EXPENSES & OT %	J ALLOCATE OTHER COSTS	K TOTAL DIRECT COSTS	L HCID GASP RATE	M HCID GASP COSTS	N TOTAL BILLABLE COSTS
			2,080		A x B			C x D	C + E		F x G		F x I	F + H + J		K x L	K + M
			2,080		-			-	-	60.36%	-	8.85%	-	-	19.80%	-	-
1358	0	Administrative Clerk	2,080	\$25.10	52,208			-	52,208	60.36%	31,513	8.85%	4,620	88,341	19.80%	17,492	105,833
1358	0	Administrative Clerk	2,080	\$25.10	52,208			-	52,208	60.36%	31,513	8.85%	4,620	88,341	19.80%	17,492	105,833
1358	0	Administrative Clerk	2,080	\$25.10	52,208			-	52,208	60.36%	31,513	8.85%	4,620	88,341	19.80%	17,492	105,833
1358	0	Administrative Clerk	2,080	\$25.10	52,208			-	52,208	60.36%	31,513	8.85%	4,620	88,341	19.80%	17,492	105,833
1358	0	Administrative Clerk (As-Needed)	999	\$25.10	25,075			-	25,075	26.59%	6,667	8.85%	2,219	33,961	19.80%	6,724	40,686
1358	0	Administrative Clerk (As-Needed)	999	\$25.10	25,075			-	25,075	26.59%	6,667	8.85%	2,219	33,961	19.80%	6,724	40,686
1368	0	Senior Administrative Clerk	2,080	\$31.46	65,437			-	65,437	60.36%	39,498	8.85%	5,791	110,726	19.80%	21,924	132,649
1461	1	Communication Information Rep I (CIR)	2,080	\$26.27	54,642			-	54,642	60.36%	32,982	8.85%	4,836	92,459	19.80%	18,307	110,766
8516	1	Housing Investigator I (I & E)	2,080	\$36.15	75,192			-	75,192	60.36%	45,386	8.85%	6,654	127,232	19.80%	25,192	152,424
8516	1	Housing Investigator I (I & E)	2,080	\$36.15	75,192			-	75,192	60.36%	45,386	8.85%	6,654	127,232	19.80%	25,192	152,424
9184	1	Management Analyst I	2,080	\$37.26	77,501			-	77,501	60.36%	46,779	8.85%	6,859	131,139	19.80%	25,966	157,105
9184	2	Management Analyst II	2,080	\$44.50	92,560			-	92,560	60.36%	55,869	8.85%	8,192	156,621	19.80%	31,011	187,632
1431	4	Programmer Analyst IV	2,080	\$50.69	105,435			-	105,435	60.36%	63,641	8.85%	9,331	178,407	19.80%	35,325	213,731
Budget Unit Updated Total					\$804,940			-	\$804,940		\$468,926		\$71,237	\$1,345,104		\$266,331	\$1,611,434

DEVELOPMENT, IMPLEMENTATION & PROGRAM:

Cloud Platform (Salesforce)		\$66,048.00
Document Capture Software/ Licenses (Captricity)		\$90,000.00
Design & Intergrate w Existing Systems	(one-time)	\$200,000.00
		\$356,048.00

Printing Exp. (110,000 pieces) for LL		\$5,226.70
Printing Exp. (600,000 pieces) for T		\$31,360.00
Postage Exp. (Standard 10 days)		\$231,000.00
		\$267,586.70

Cost of Implementation **Year 1: \$2,235,068.96**
\$2,210.54

Printing Exp. (110,000 pieces) for T (Re-Rentals)

Staff Cost Notes:

Annual Ongoing Maintenance Cost: **\$2,037,279.50**

1. **Column A (Total Hours Per Position):** Reflects 12 months. All hours above reflects 100% of staff time devoted to the Program

2. **Column B (Hourly Rate):** Hourly Rate based on CAO's 2016 Wage & Count. Wages and Count averages gross salaries of employees within the same classification.

3. **Column D (CTO Rate):** CTO Rate of 19.20% per CAP 37 Rates. CTO rate is omitted since gross salaries were used (Wages & Count). CTO is only applied when salaries used are net salaries.

4. **Column G (CAP 37 Rate):** Final CAP 37 Rate of 60.36% for Enforcement Cost Center

5. **Column I (Expenses and OT %):** Expense & Overtime for Rent Registry Staff, based on the Adopted Budget FY 2015-16 Budget. Assumes staff will be at Garland/Fig Plaza and Fig Plaza rates will be similar to Garland's lease rates.

HOUSING AND COMMUNITY INVESTMENT DEPARTMENT

Rent Registry Program

Preliminary Costs Option C

FISCAL YEAR 2016-17

Revised : January 14, 2016

STAFF:

CODE	PG	CLASS	A TOTAL HOURS PER POSITION	B HOURLY RATE (based on W & C)	C DIRECT SALARIES	Hourly Rate (WYC)	D CTO RATE CAP 37 19.20%	E TOTAL CTO	F TOTAL DIRECT SALARIES PLUS CTO	G CAP 37 (FRINGE & OTHER)	H RELATED COSTS PER CAP 37	I EXPENSE S & OT %	J ALLOCATE OTHER COSTS	K TOTAL DIRECT COSTS	L HCID GASP RATE	M HCID GASP COSTS	N TOTAL BILLABLE COSTS
					A x B			C x D	C + E		F x G		F x I	F + H + J		K x L	K + M
			2,080		-			-	-	60.36%	-	8.85%	-	-	19.80%	-	-
1358	0	Administrative Clerk	2,080	\$25.10	52,208			-	52,208	60.36%	31,513	8.85%	4,620	88,341	19.80%	17,492	105,833
1358	0	Administrative Clerk	2,080	\$25.10	52,208			-	52,208	60.36%	31,513	8.85%	4,620	88,341	19.80%	17,492	105,833
1358	0	Administrative Clerk	2,080	\$25.10	52,208			-	52,208	60.36%	31,513	8.85%	4,620	88,341	19.80%	17,492	105,833
1358	0	Administrative Clerk (As-Needed)	999	\$25.10	25,075			-	25,075	26.59%	6,667	8.85%	2,219	33,961	19.80%	6,724	40,686
1358	0	Administrative Clerk (As-Needed)	999	\$25.10	25,075			-	25,075	26.59%	6,667	8.85%	2,219	33,961	19.80%	6,724	40,686
1368	0	Senior Administrative Clerk	2,080	\$31.46	65,437			-	65,437	60.36%	39,498	8.85%	5,791	110,726	19.80%	21,924	132,649
1461	1	Communication Information Rep I (CIR)	2,080	\$26.27	54,642			-	54,642	60.36%	32,982	8.85%	4,836	92,459	19.80%	18,307	110,766
8516	1	Housing Investigator I	2,080	\$36.15	75,192			-	75,192	60.36%	45,386	8.85%	6,654	127,232	19.80%	25,192	152,424
9184	1	Management Analyst I	2,080	\$37.26	77,501			-	77,501	60.36%	46,779	8.85%	6,859	131,139	19.80%	25,966	157,105
9184	2	Management Analyst II	2,080	\$44.50	92,560			-	92,560	60.36%	55,869	8.85%	8,192	156,621	19.80%	31,011	187,632
1431	4	Programmer Analyst IV	2,080	\$50.69	105,435			-	105,435	60.36%	63,641	8.85%	9,331	178,407	19.80%	35,325	213,731
Budget Unit Updated Total					\$677,540			-	\$677,540		\$392,028		\$59,962	\$1,129,530		\$223,647	\$1,353,177

DEVELOPMENT, IMPLEMENTATION & PROGRAM:

Cloud Platform (Salesforce)	\$66,048.00
Document Capture Software/ Licenses (Captricity)	\$90,000.00
Design & Intergrate w Existing Systems	(one-time) \$200,000.00
	\$356,048.00

Printing Exp. (110,000 pieces) for LL	\$5,226.70
Printing Exp. (600,000 pieces) for T	\$31,360.00
Postage Exp. (Standard 10 days)	\$231,000.00
	\$267,586.70

Printing Exp. (110,000 pieces) for T (Re-Rentals)	Cost of Implementation Year 1: \$1,976,811.86
	\$2,210.54

Annual Ongoing Maintenance Cost **Year 2:** \$1,779,022.40

Staff Cost Notes:

1. **Column A (Total Hours Per Position):** Reflects 12 months. All hours above reflects 100% of staff time devoted to the Program

2. **Column B (Hourly Rate):** Hourly Rate based on CAO's 2016 Wage & Count. Wages and Count averages gross salaries of employees within the same classification.

3. **Column D (CTO Rate):** CTO Rate of 19.20% per CAP 37 Rates. CTO rate is omitted since gross salaries were used (Wages & Count). CTO is only applied when salaries used are net salaries.

4. **Column G (CAP 37 Rate):** Final CAP 37 Rate of 60.36% for Enforcement Cost Center

5. **Column I (Expenses and OT %):** Expense & Overtime for Rent Registry Staff, based on the Adopted Budget FY 2015-16 Budget. Assumes staff will be at Garland/Fig Plaza and Fig Plaza rates will be similar to Garland's lease rates.

HOUSING AND COMMUNITY INVESTMENT DEPARTMENT

Rent Registry Program

Preliminary Costs Option C Year 3+

FISCAL YEAR 2016-17

Revised : January 14, 2016

STAFF:

CODE	PG	CLASS	A TOTAL HOURS PER POSITION	B HOURLY RATE (based on W & C)	C DIRECT SALARIES	Hourly Rate (WYC)	D CTO RATE CAP 37 19.20%	E TOTAL CTO	F TOTAL DIRECT SALARIES PLUS CTO	G CAP 37 (FRINGE & OTHER)	H RELATED COSTS PER CAP 37	I EXPENSES & OT %	J ALLOCATE OTHER COSTS	K TOTAL DIRECT COSTS	L HCID GASP RATE	M HCID GASP COSTS	N TOTAL BILLABLE COSTS
			2,080		A x B			C x D	C + E		F x G		F x I	F + H + J		K x L	K + M
			2,080		-			-	-	60.36%	-	8.11%	-	-	19.80%	-	-
1358	0	Administrative Clerk	2,080	\$25.10	52,208			-	52,208	60.36%	31,513	8.11%	4,234	87,955	19.80%	17,415	105,370
1368	0	Senior Administrative Clerk	2,080	\$31.46	65,437			-	65,437	60.36%	39,498	8.11%	5,307	110,241	19.80%	21,828	132,069
1461	1	Communication Information Rep I (CIR)	2,080	\$26.27	54,642			-	54,642	60.36%	32,982	8.11%	4,431	92,055	19.80%	18,227	110,282
8516	1	Housing Investigator I	2,080	\$36.15	75,192			-	75,192	60.36%	45,386	8.11%	6,098	126,676	19.80%	25,082	151,758
8516	1	Housing Investigator I	2,080	\$36.15	75,192			-	75,192	60.36%	45,386	8.11%	6,098	126,676	19.80%	25,082	151,758
9184	1	Management Analyst I	2,080	\$37.26	77,501			-	77,501	60.36%	46,779	8.11%	6,285	130,566	19.80%	25,852	156,418
9184	2	Management Analyst II	2,080	\$44.50	92,560			-	92,560	60.36%	55,869	8.11%	7,507	155,936	19.80%	30,875	186,811
1431	4	Programmer Analyst IV	2,080	\$50.69	105,435			-	105,435	60.36%	63,641	8.11%	8,551	177,627	19.80%	35,170	212,797
Budget Unit Updated Total					\$598,166			-	\$598,166		\$361,053		\$48,511	\$1,007,731		\$199,531	\$1,207,262

DEVELOPMENT, IMPLEMENTATION & PROGRAM:

Cloud Platform (Salesforce)	\$66,048.00
Document Capture Software/ Licenses (Captricity)	\$90,000.00
	\$156,048.00

Printing Exp. (110,000 pieces) for T (Re-Rentals)	\$2,210.54
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Annual Ongoing Maintenance Cost Year 3+: **\$1,365,520.20**

Staff Cost Notes:

- Column A (Total Hours Per Position):** Reflects 12 months. All hours above reflects 100% of staff time devoted to the Program
- Column B (Hourly Rate):** Hourly Rate based on CAO's 2016 Wage & Count. Wages and Count averages gross salaries of employees within the same classification.
- Column D (CTO Rate):** CTO Rate of 19.20% per CAP 37 Rates. CTO rate is omitted since gross salaries were used (Wages & Count). CTO is only applied when salaries used are net salaries.
- Column G (CAP 37 Rate):** Final CAP 37 Rate of 60.36% for Enforcement Cost Center
- Column I (Expenses and OT %):** Expense & Overtime for Rent Registry Staff, based on the Adopted Budget FY 2015-16 Budget. Assumes staff will be at Garland/Fig Plaza and Fig Plaza rates will be similar to Garland's lease rates.