



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 09/27/04

Communication No.:

04-461

Agenda Item Type: Resolution

Roll Call

No.:

Submitted by: Larry Hulse, Community Development Director

SUBJECT—

Refund of Overcharges in Rental Fees.

SYNOPSIS—

During the months of June and July 2004, the City hired Maximus to assess the rental housing inspection fees charged by the City. A total of \$205,000 has been overcharged and needs to be refunded. The overcharges reflect twenty months of billing between January 1, 2003 and September 1, 2004.

FISCAL IMPACT—

\$205,109.67 needs to be refunded. A temporary employee will be hired to for one month to assist with the refunds at a cost of \$2,560. Funds are available in Account Number 464070.

RECOMMENDATION—

Approval

BACKGROUND—

On November 18, 2002 Council approved the increase in rental housing inspection fees (Roll Call No. 02-2739). Those fees had not been increased in eleven years. The increases represented the best recommendation of staff of the actual costs of providing this service. There

was significant opposition from landlords at the time the fees were adopted. That opposition has continued.

In June and July of 2004 Council hired the Maximus company to determine the costs of these services. Staff agreed with the Iowa Landlords Association that we would stand by the Maximus report.

On September 2, 2004 staff met with representatives of the Iowa Landlords Association who agreed to recommend approval of the new fees and the refund process.

On September 8, 2004 the Housing Appeals Board voted to recommend the new fees and the refund process.