

Short-term Rental Inspection and License Application Fees

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CURRENT FEES

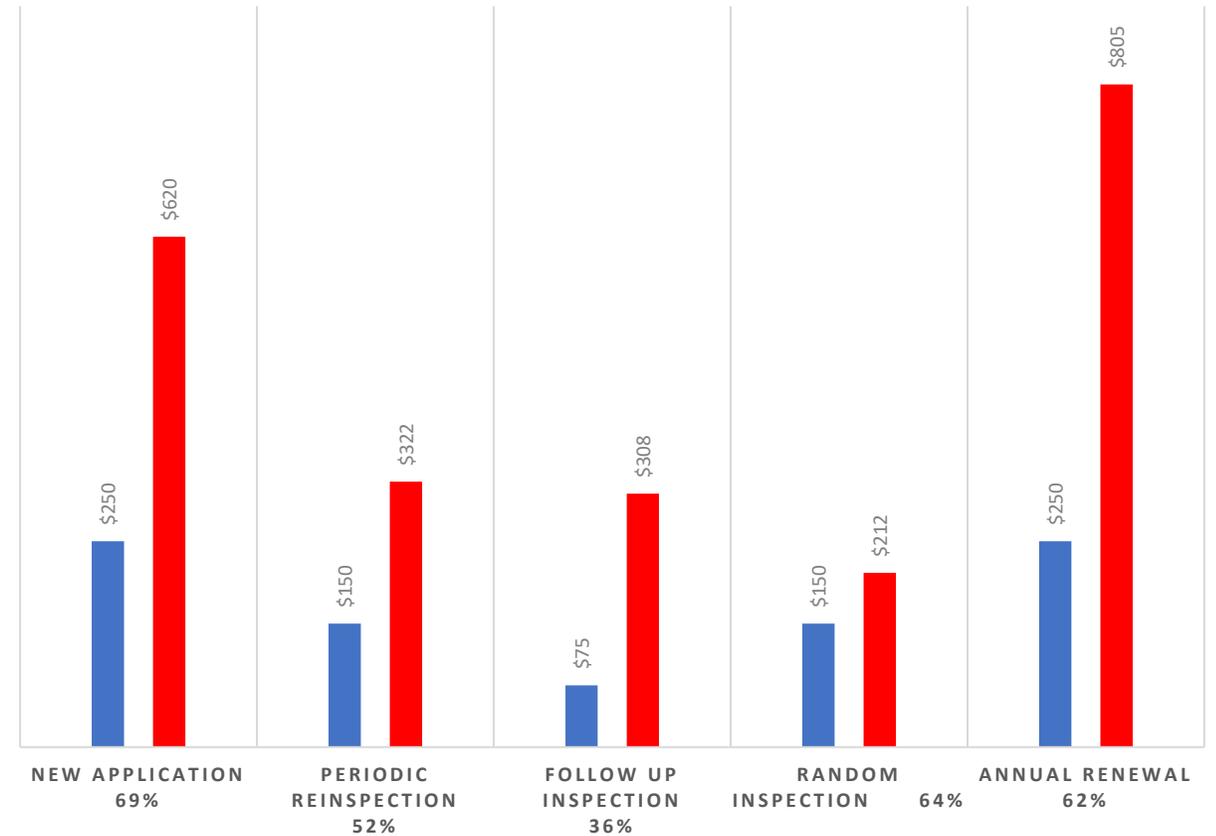
- ▶ **Ordinance 10-03 Affect on Current Fees**
 - ▶ Fees are not sufficient enough to cover the cost to administration, inspect, the ordinance.
 - ▶ The current fees do not account for the additional staff time required
 - ▶ **Current Cost Recovery Rate**
 - ▶ FY 21/22 Average Cost Recovery was only 39%
 - ▶ **Goal:**
 - ▶ Recover the 61% shortfall in fees
 - ▶ 100% cost recovery for FY 22/23

FY 21/22 COST RECOVERY

21/22 COST RECOVERY

■ CURRENT FEE ■ ACTUAL COST

- ▶ **Additional staff time required**
 - ▶ Administration
 - ▶ Inspections
 - ▶ Enforcement
- ▶ **Current Cost Recovery**
 - ▶ Only 39% cost recovery with the current fees
 - ▶ Who covers the remaining 61%?

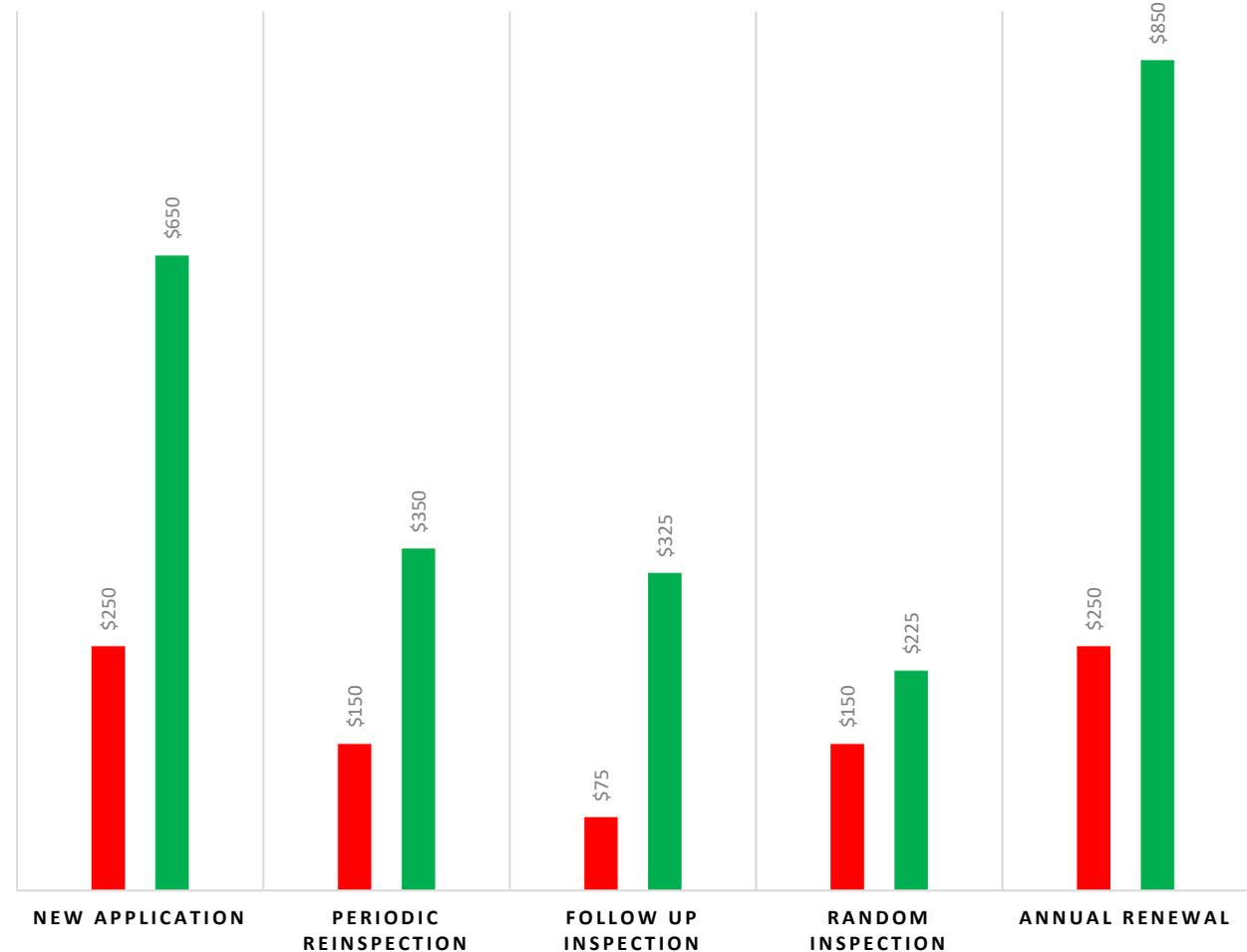


STAFF RECOMMENDATION

RECOMENDED INCREASE

■ CURRENT FEE ■ PROPOSED

- ▶ Increase current fees to recover the cost to administer and enforce Ordinance 10-03
 - ▶ New Applications- \$250 to \$650
 - ▶ Periodic Re-Inspections- \$150 to \$350
 - ▶ Follow Up Inspections- \$75 TO \$325
 - ▶ Random Inspections- \$150 TO \$225
 - ▶ Annual Renewal- \$250 TO \$850
- ▶ The proposed increase will bring us to our cost recovery goal of 100%



OTHER JURISDICTIONS

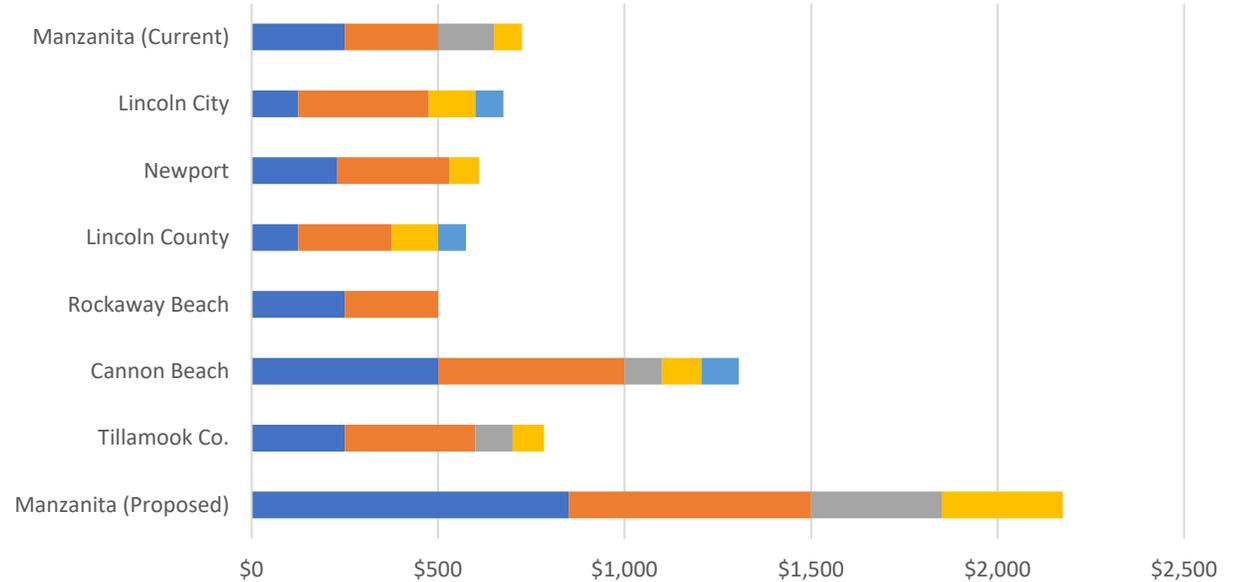
▶ **How do our current and proposed fees compare to other jurisdictions?**

▶ Just below the average of surrounding jurisdictions

▶ **What are the unknowns of the comparison?**

- ▶ Administration, Inspection, & Enforcement Costs?
- ▶ How do other ordinances compare?
- ▶ Cost of staff time?

COMPARISON



	Manzanita (Proposed)	Tillamook Co.	Cannon Beach	Rockaway Beach	Lincoln County	Newport	Lincoln City	Manzanita (Current)
Renewal Application	\$850	\$250	\$500	\$250	\$125	\$230	\$125	\$250
New Application	\$650	\$350	\$500	\$250	\$250	\$300	\$350	\$250
Re-inspection	\$350	\$100	\$100	\$0	\$0	\$0	\$0	\$150
Follow up inspection	\$325	\$84	\$106	\$0	\$125	\$80	\$125	\$75
Change in Contact Information	\$0	\$0	\$100	\$0	\$75	\$0	\$75	\$0

■ Renewal Application ■ New Application ■ Re-inspection ■ Follow up inspection ■ Change in Contact Information

CONCLUSION

▶ Budget Impact

- ▶ This will have a positive impact on the City's budget as it will provide additional revenue to recover staff time and costs associated with implementing and managing the City's short-term rental program

▶ Workload Impact

- ▶ No additional workload on staff to collect the fees

▶ Staff Recommendation

- ▶ Staff recommend that the City Council approve the proposed Resolution Repealing Resolution 21-16

▶ Alternative

- ▶ Council can elect to maintain the existing fee structure