



M E M O R A N D U M

Date: April 7, 2025
To: Common Council
From: Megan Erwin, Chief of Staff
RE: Appropriation for Elkhart Rental Inspection Program

This appropriation request is for the start-up costs associated with the Elkhart Rental Inspection Program. A new dedicated fund will be established to collect the revenues and support the program.

The initial appropriation request of \$95,000 will facilitate the 2025 start-up costs. The funding will cover essential expenses for one new Code Enforcement Officer for 6 months (July 1 to December 31): salary, benefits, gas, phone, and uniform costs, as well as the one-time purchase of a new vehicle dedicated to program operations. These investments will create the additional staff capacity necessary to make the program a success and maintain the safety of our residential rental properties.

The proposed establishing ordinance sets a \$5 annual registration fee for rental properties and a \$60 inspection fee per unit. The proposal also includes an incentive to encourage early participation: a fifty percent discount on the inspection fee for owners who register within the first six months. Although this discount may temporarily reduce revenue in the initial years, it will ultimately encourage participation and foster a safer rental market.

City staff utilized property tax data as a proxy indicator of the number of rental properties in Elkhart in order to determine how many inspections would be required each year on a three-year cycle. The recommendation to invest in one additional Code Enforcement Officer to complete these inspections is based on that analysis.

Thank you for your consideration.

ORDINANCE NO _____

**AN ORDINANCE APPROPRIATING NINETY-FIVE THOUSAND DOLLARS
(\$95,000.00) TO PROVIDE INITIAL FUNDING TO IMPLEMENT
THE ELKHART RENTAL INSPECTION PROGRAM**

WHEREAS, IC 36-1-20-4.1 (b) authorizes political subdivisions of the State of Indiana to establish a program for the registration and inspection of residential housing units; and

WHEREAS, this Common Council of the City of Elkhart, Indiana, this date adopted, the Elkhart Rental Inspection Program, Ordinance No. _____ ; and

WHEREAS, the Building Commissioner for the City of Elkhart, is charged with the duty and responsibility to implement, conduct and enforce the Elkhart Rental Inspection Program; and

WHEREAS, the Administration estimates that the Building Commission will require one (1) full-time rental inspector, who will need to be equipped and supplied as other code enforcement officers are provided to carry out the essential functions of their office; and

WHEREAS, the Administration estimates that the funds needed to initiate, implement and maintain the Elkhart Rental Inspection Program for the balance of fiscal year 2025 is Ninety-Five Thousand Dollars (\$95,000.00); and

WHEREAS, the General Fund contains funds, sufficient and appropriate for the project.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF ELKHART, INDIANA, THAT:

Section 1. The amount of Ninety-Five Thousand Dollars (\$95,000.00) is appropriated from the General Fund, transferred to the Elkhart Rental Inspection Fund (2535) and assigned to the following accounts:

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>
<u>Personnel Services</u>		
2535-5-000-4110130	Full Time	\$ 31,500.00
2535-5-000-4130100	ER Social Security	\$ 2,000.00
2535-5-000-4130200	ER Medicare	\$ 500.00
2535-5-000-4130300	Pension Expense	\$ 4,600.00
2535-5-000-4130500	Health Insurance	\$ 13,700.00
	Total Personnel Services	<u>\$ 52,300.00</u>
<u>Supplies</u>		
	Clothing & Outerwear	\$ 350.00
2535-5-000-4220311		\$ 350.00
2535-5-000-4220210	Gasoline	\$ 1,250.00
	Total Supplies	<u>\$ 1,600.00</u>
<u>Other Services & Charges</u>		
	Telephone & Communications	\$ 1,100.00
2535-5-000-4320400		\$ 1,100.00
<u>Capital</u>		
	Motor Equipment	\$ 40,000.00
2535-5-000-4440200		\$ 40,000.00
	Total	<u>\$ 95,000.00</u>

Section 2. The Common Council has fixed the ____ day of _____, _____, at 6:00 p.m., in the Council Chambers, as the date, time and place when the Common Council will consider and determine the appropriation, and all taxpayers and interested persons will have the opportunity to appear and express their views.

Section 3. This Ordinance shall be in effect from and after its passage by the Common Council and approval by the Mayor according to law.

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SO ORDAINED this _____ day of _____, _____.

Arvis Dawson
President of the Common Council

ATTEST:

Debra D. Barrett, City Clerk

PRESENTED to the Mayor by me this ____ day of _____, _____
at _____ a.m./p.m.

Debra D. Barrett, City Clerk

Approved by me this _____ day of _____, _____.

Rod Roberson, Mayor

ATTEST:

Debra D. Barrett, City Clerk