

October 22, 2019

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

Building and Safety Division
Ruben Barrera, Director

Code Compliance Division
Doug Leeper, Director

Environmental Health Division
Charles Genkel, Director

Operations Division
Jennifer Orozco, Director

Planning Division
Dave Ward, Director

SUBJECT: Approval of, and Authorization for the Resource Management Agency Director to Sign, Amendment No. 1 to the County of Ventura's Contract with CSG Consultants, Inc., to Increase the Contract Amount by \$165,000, to a Total Amount Not to Exceed \$264,000, to Provide Compliance Assistance Services for the Temporary Rental Unit Program

RECOMMENDATION:

APPROVE AND AUTHORIZE the Resource Management Agency Director to sign Amendment No. 1 (Exhibit 1) to the County of Ventura's contract with CSG Consultants, Inc. (Exhibit 2), effective October 22, 2019, to increase the contract amount by \$165,000 to a total amount not to exceed \$264,000 for compliance assistance services for the Temporary Rental Unit Program.

FISCAL/MANDATES IMPACT:

Mandatory:	No
Source of Funding:	Fees
Funding Match Required:	No
Impact on Other Departments:	None

Summary of Revenue and Costs	FY 2019-20	FY 2020-21
Revenues:	\$ 100,000	\$ -
Costs:		
Direct	\$ 165,000	\$ -
Indirect – Department	\$ -	\$ -
Indirect Costs	\$ -	\$ -
	\$ 165,000	\$ -
Net Costs	\$ 65,000	\$ -
Recovered Indirect Costs	\$ -	\$ -

The adopted FY 2019-20 Resource Management Agency Code Compliance Division budget includes sufficient appropriations to fund the contract amendment. Should additional appropriations be needed, we will return to your Board as part of the County Executive Office's mid-year budget adjustment. Funding for the Temporary Rental Unit Program is partially offset by permit application fees, and projected revenue for FY 2019-20 is \$100,000. The net cost is included in the FY 2019-20 adopted Code Compliance Division budget.

Current FY 2019-20 Budget Projection for RMA Code Compliance (Division 2950)				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/Deficit
Appropriations	\$ 3,096,763	\$ 3,096,763	\$ 3,096,763	\$ -
Revenue	\$ 1,546,343	\$ 1,546,343	\$ 1,546,343	\$ -
Net Cost	\$ 1,550,420	\$ 1,550,420	\$ 1,550,420	\$ -

BACKGROUND:

On September 25, 2018, your Board approved and authorized resources in support of the Temporary Rental Unit (TRU) Program, including professional service contracts that provide compliance assistance services. Since that time, Code Compliance staff has retained an internet search firm, Host Compliance, as well as released a request for proposals and awarded a contract to CSG Consultants, Inc. to provide temporary staffing resources for the TRU Program. In addition, as part of the FY 19-20 budget, your Board approved three new position allocations in support of the TRU Program.

DISCUSSION:

As reported at the September 25, 2018 meeting, contract resources were recommended for at least the first year so that staffing needs could be assessed. In November 2018 staff issued a request for proposals, expressing the need for qualified code compliance officers. The request for proposal was sent directly to several municipal services companies and listed on the County's website. Only one response was received, that being CSG Consultants, Inc. The response was 35-45% higher than anticipated. It was determined that reissuing the request for proposal would further prolong staffing of the program without an appreciable benefit. After discussion between the Code Compliance Division director and CSG Consultants Inc., a suitable agreement was reached and CSG Consultants, Inc. was awarded the initial \$99,000 contract on January 14, 2019. It provides one Code Compliance Technician and two Code Compliance Officers (3.0 full-time-equivalent positions (FTEs)). The contract staffing did not begin immediately as the contractor had difficulty finding local staffing resources. The initial amount of \$99,000 was allocated to allow for initiation of the program. It became apparent that contract services would not sufficiently address the staffing needs of the program and staff included allocations for three new positions in support of the TRU Program in the FY 2019-20 budget, which your Board approved.

The recommended action is necessary to amend the contract to increase the contract amount by \$165,000, to an amount not to exceed \$264,000, to cover the contract services, needed throughout the transition from contract to employee staffing. Of the requested \$165,000, \$90,000 is offset by salary savings from previously vacant or yet to be filled positions within the Code Compliance Division. As indicated, your Board authorized three new FTEs (one RMA Code Compliance Technician and two Code Compliance Officers III) as part of the FY 2019-20 budget. These positions have recently been filled, and staff is currently being trained to take over full responsibility for the program.

As part of the proactive compliance of TRUs, an internet search service, Host Compliance, was also contracted to identify units advertised as short-term vacation rentals within the areas governed by the program. Host Compliance provides on-going monitoring of online TRU advertising. In addition to conducting data mining of known TRU advertising and reservation host websites, the vendor provides supportive investigative services, utilizing additional open source data and images to make presumptive matches between advertised TRU properties and physical addresses/parcel numbers located within the County's TRU overlay zones. This assists staff in the enforcement of the regulations.

The internet search service initially identified 480 locations advertising in the coastal and Ojai overlay zones. As of October 1, 2019, we were aware of 403 locations advertising/operating in the coastal and Ojai overlay zones. Of those locations, 172 have been issued permits to operate – 96 in the coastal overlay zone and 76 in the Ojai overlay zone – and an additional 19 have withdrawn or been denied. These 19 locations will be monitored to confirm that they are not operating without a permit. There are 212 locations remaining – 110 in the coastal overlay zone and 102 in the Ojai overlay zone. To date, 111 Notices of Violation have been issued to these unpermitted locations – 15 in the coastal overlay zone and 96 in the Ojai overlay zone. The remaining 101 unpermitted locations will be issued Notices of Violation within the next 6-8 weeks. The program has received 29 complaints from residents/guests – 20 in the coastal overlay zone and 9 in the Ojai overlay zone. Each location has been investigated and addressed.

This Board item was reviewed by the County Executive Office, the Auditor-Controller's Office, and County Counsel. If you have any questions regarding this matter, please contact Doug Leeper at (805) 654-2446.



Kim L. Prillhart, Director

Ventura County Resource Management Agency

ATTACHMENTS

- Exhibit 1: Amendment No. 1 to CSG Consultants, Inc. Contract
- Exhibit 2: CSG Consultants, Inc. Contract dated January 14, 2019