



CITY OF APPLETON

MEMORANDUM

Date: 5/29/2024

To: Human Resources/Information Technology Committee

From: Charles E Sepers, Jr, PhD, MPH, Health Officer/Director, Department of Public Health

**Sonja Jensen, BSN, RN, Deputy Director/Nursing Supervisor,
Department of Public Health**

Subject: Request to Increase 1.0 FTE to Environmental Health

This memo outlines the need to add a 1.0 full-time equivalent (FTE) position for an environmental health technician to our table of organization. The primary responsibility of this new role will be to enforce codes related to unlicensed tourist rooming houses within the City of Appleton.

Background

The City of Appleton currently faces a significant issue with hundreds of unlicensed tourist rooming houses operating without proper oversight. This lack of regulation not only poses health and safety risks but also results in substantial lost revenue for the city. Addressing this issue through enhanced code enforcement is crucial for ensuring compliance, safeguarding public health, and increasing revenue streams. Further, increased enforcement of the City's Municipal Code will ensure a level playing field for all tourist rooming house and traditional lodging operators.

Financial impact

The overall budgetary impact of adding this 1.0 FTE position is expected to be neutral, as all costs, including salary and fringe, would be offset by license fees issued to unlicensed operators.

Projected fee revenue:

- The addition of an Environmental Health Technician is expected to generate approximately \$112,000 in increased fee revenue from the licensing and enforcement activities.

Room tax revenue:

- Collaborating with the Fox Valley Convention and Visitors Bureau's by Pam Seidl, we anticipate that this initiative will lead to an increase in room tax revenue by about

\$384,000, based on data from 2023. This projection is grounded in the increased compliance and proper licensing of tourist rooming houses.

- Increased room tax revenue projections are based on data supplied by Granicus in a Host Compliance software demonstration. These assumptions are 1) that the median nightly rate for tourist rooming houses is \$112, 2) tourist rooming houses maintain a 46% average occupancy rate, and 3) there were 347 listings identified at the time of the demonstration, of which only 88 were licensed.

Anticipated costs:

- The position has been placed on paygrade 6, with salary and fringe totalling \$87,532:
 - Hourly \$27.90
 - Salary \$58,032
 - Fringe \$29,500 – family health and dental, FICA, Medicare, and retirement
- The purchase of annual software license, Host Compliance, to identify Tourist Rooming House listing addresses at \$9,903.
- Annual CEA costs related to adding an additional vehicle to the Department of Public Health fleet would incur an annual cost of about \$1,796.
- Annual cost for a cell phone at \$249.
- The total estimated cost of adding this position and purchasing the software is \$99,480. This would result in a net revenue of collected fees to about \$12,520, plus an estimated \$384,000 in room tax revenue.

Justification for the new position

1. Enhanced code enforcement:

- The new environmental health technician will focus on identifying and bringing unlicensed tourist rooming houses into compliance. This role is essential for addressing the current gap in enforcement and ensuring all properties meet the required health and safety standards.

2. Revenue generation:

- The projected increase in fee and room tax revenue justifies the cost of adding this position. The additional revenue will significantly outweigh the salary and benefits of the new FTE, making it a financially sound investment.

3. Public health and safety:

- Proper regulation and licensing of tourist rooming houses are vital for protecting public health and safety. The environmental health technician will ensure these properties adhere to necessary codes and regulations, mitigating potential health risks for residents and visitors.

Conclusion

Adding a 1.0 FTE environmental health technician to our table of organization is a necessary and strategic step to enhance code enforcement for unlicensed tourist rooming houses in Appleton. This position will not only generate significant revenue but also improve public health and safety. Staff recommend moving forward with the approval and recruitment for this critical role.