



FY 2027 Budget Hearing

LICENSES & INSPECTIONS



FY 2027 Budget Hearings
Licenses & Inspections Department



Proposed FY 2027 Budget

| Licenses & Inspections | FY 2024 Actuals | FY 2025 Actuals | FY 2026 Budget | Proposed Budget FY 2027 | \$ Change FY'27-26 | % Change FY'27-26 |
|------------------------------------|--------------------|--------------------|--------------------|-------------------------|--------------------|-------------------|
| Personal Services | \$2,682,478 | \$2,806,453 | \$2,899,777 | \$3,144,954 | \$245,177 | 8.5% |
| Materials, Supplies, and Equipment | 212,052 | 244,027 | 309,500 | 288,700 | (20,800) | -6.7% |
| Internal Services | 248,957 | 283,325 | 271,708 | 282,233 | 10,525 | 3.9% |
| Debt Service | 2,244 | 2,245 | 2,187 | 546 | (1,641) | -75.0% |
| Special Purpose | 265,551 | 268,148 | 301,301 | 310,341 | 9,040 | 3.0% |
| Total | \$3,411,280 | \$3,604,196 | \$3,784,473 | \$4,026,774 | \$242,301 | 6.4% |
| Staffing Level (FTEs) | 25.00 | 26.00 | 26.00 | 27.00 | 1.00 | 3.8% |



Major Funding Changes (FY 2027 Proposed Budget)

- **Personal Services expenses: (↑ \$245,177)**
 - Positions Changes:
 - Added: Deputy Commissioner of L&I (↑ \$187,393)
 - Added: Property Compliance Officer (↑ \$106,318)
 - Eliminated: Code Enforcement Supervisor (↓ \$172,176)
 - FY 2026 Mid-Year - Upgrade: Code Enforcement Administrator (Grade 6 to 8) (↑ \$10,360)
 - FY 2026 Mid-Year - Added: Administrative Clerk II (↑ \$85,135)
 - FY 2026 Mid-Year - Eliminated: Administrative Supervisor (↓ \$117,854)



Major Funding Changes (FY 2027 Proposed Budget)

- **MS&E : (↓ \$20,800)**

- Temporary Agencies (↓ \$5,000)
- Consultants (↓ \$4,000)
- Registration Fees (↓ \$3,500)
- Furniture, Fixtures, and Office Equipment (↓ \$3,500)



VISION STATEMENT

The Department of Licenses and Inspections (L&I) is responsible for promoting the general welfare and protecting the life, health, and safety of all citizens of Wilmington by monitoring the City's building and housing stock through code enforcement and the abatement of code violations. This is achieved by the implementation of fair and unbiased application of the Wilmington City Codes. Our goal is to facilitate voluntary compliance by working in partnership with our constituents.



DEPARTMENTAL PRIORITIES

- **Strengthen Code Enforcement & Compliance** by:
 - Continuing the transition from a reactive to a proactive enforcement model to ensure consistent citywide coverage and prompt addressing of violations.
 - Expanding enforcement efforts on vacant and blighted properties through our dedicated inspection teams, citywide sweeps, and standardized inspection protocols.
 - Continue to identify unlicensed and unregistered rental properties through proactive investigations and interdepartmental collaboration, ensuring full compliance with licensing and registration requirements.
 - Strengthening enforcement of civil penalties and escalating non-compliant cases, including referrals for delinquent accounts and Sheriff Sale when necessary.



DEPARTMENTAL PRIORITIES (cont)

- **Enhance the Department's Operational Efficiency by:**
 - Continuing the implementation, utilization, and optimization of the Salesforce tracking system to improve data accuracy, case tracking, and overall departmental performance.
 - Developing and implementing departmental policies, procedures, and standard operating guidelines to ensure consistency and accountability across all processes to include inspection and enforcement activities.
 - Continue to improve processes for our specialized teams, including Rental and Vacant Property units, to improve efficiency, accountability, and targeted enforcement outcomes.



DEPARTMENTAL PRIORITIES (cont)

- **Increase Community Engagement & Public Awareness by:**
 - Expanding proactive community outreach efforts through public meetings, educational materials, and collaboration with neighborhood groups to promote awareness of code requirements and compliance responsibilities.
 - Increasing accessibility to department leadership to strengthen relationships with residents, civic associations, and elected officials in addressing neighborhood concerns.
 - Improving communication strategies by modernizing notification processes in accordance with City Code requirements and providing clearer guidance to property owners on compliance expectations.
 - Promoting transparency by sharing inspection processes, compliance standards, and enforcement initiatives with property owners and community.
 - Encouraging voluntary compliance by working with property owners to establish realistic compliance plans and timelines.



Question 1.

Understanding the 5-year revenue and expenditure projections show expenditures far outpacing revenues for FY27 to FY30, and FY27 General Fund Proposed Budget uses \$25.7M of the Tax Stabilization Fund, please share how this budget aligns with closing any potential budget gaps.

- a. Specify any cost savings or reductions, and if this budget provides adequate resources to meet the departmental needs.

- b. Specify any high-level major additions.



Question 1. Answer

- a. There is a reduction of \$20,800 (-6.7%) in our FY27 Materials, Supplies, and Equipment account.
 - Yes - the current budget provides adequate resources to meet our needs.
- b. One net FTE was added as part of the Department staffing reorganization.



Question 2.

Neighborhood Stabilization is a budget priority for Council. Please explain how this budget is aligned with that priority and share the budgeted allocations and resources.



Question 2. Answers

No separate line-item; Neighborhood stabilization is embedded in Licenses and Inspections mission, operations and enforcement strategy.

Resources allocated through 17 inspectors and support staff committed to:

- Focused vacant property registration and enforcement
- Targeted inspections addressing blight, nuisance, and unsafe structures
- Proactive identification of unlicensed and unregistered rental properties
- Civil penalties and compliance enforcement to drive property improvements



Question 3.

Please list any vacant positions (please share the length of the vacancy, justify if there is a need for the vacancy).



Question 3. Answer

Vacant Positions

- **Code Enforcement Inspector** - vacant since March 10, 2026 (Posted)
- **Administrative Clerk II** - vacant since March 5, 2026 (Posted)

Justification

- Both positions are critical to daily operations and enforcement efforts
- Current vacant positions have caused delays in case processing, inspections, and complaint resolution
- Reducing staffing limits proactive enforcement and violation monitoring
- Filling these roles is necessary to restore efficiency, improve service delivery, and ensure timely response to community needs



Question 4.

Discuss any proposed changes to positions (new position, deleted position, upgrade, realignment, transition, downgrade, title change, salary changes, etc.).

- a. For any new proposed positions, please share if the position is revenue generating.



Question 4. Answer

New Position: Deputy Commissioner

- Majority of position cost is offset by the deletion of a Code Enforcement Supervisor

Organizational Impact:

- Strengthens leadership structure and chain of command
- Realigned to support executive-level operational oversight
- Improves accountability, efficiency, and strategic direction
- Distributes leadership responsibilities to enhance daily operations allowing me to focus on policies, strategy, citywide priorities and needs.

Revenue Impact:

- While the Deputy Commissioner position does not directly generate revenue, the strategic realignment of the executive-level operations will optimize departmental processes, ultimately driving increased revenue through improved efficiencies.



Question 4. Answer *continued

New Position: Property Compliance Officer

Organizational Impact:

- Strengthens enforcement of rental regulations
- Focus on ensuring that landlords remain in full compliance with licensing requirements
- Proactively identify unregistered and non-compliant rental properties
- Initiate enforcement actions, assess fines when appropriate
- Ensure that progressive enforcement processes are consistently applied

Revenue Impact - The Property Compliance Officer position is revenue generating

- Increase rental license compliance fees
- Increase rental registration revenue and improve collection rates
- Generate civil fines for noncompliant property owners



Question 5.

Discuss how this proposed budget addresses vacant, nuisance, and neglected properties.

- a. Specify budgeted funding allocations.
- b. Specify if the funding allocation is adequate, and please explain why or why not.
- c. Share any measurable outcomes for the last 2 fiscal years, including any reductions in complaints, improved compliance rates, and if any properties brought back into productive use.
- d. Specify amount of funds recouped for the last 2 fiscal years for Property Maintenance.
- e. Specify amount of revenue collected for Nuisance Properties for the last 2 fiscal years.
- f. Specify funding budgeted pertaining to wild animals, rodents, etc.
- g. Share the number of vacant properties in the city.
 - i. Specify the number of vacant properties for the Landbank.
 - ii. Specify the amount of vacant property registration fees collected the last 2 years.



Question 5. Answers

a. Specify budgeted funding allocations

There are no specific proposed budgeted amount to address vacant, nuisance, and neglected properties. Addressing these properties are part of the department's responsibility and we currently have three Code Enforcement Inspectors and a Code Enforcement Administrator dedicated to all vacant properties in the City of Wilmington.

Some additional Budgeted Resources & Allocations to support and improve the vacant team are:

- \$130,000 budgeted in Property Maintenance for the vacant property services contract to board and secure vacant properties, clean and maintain vacant lots, partial demolition and emergency work orders.
- \$50,000 budgeted through the IT budget to improve the vacant property module in Salesforce.

b. Specify if the funding allocation is adequate, and please explain why or why not

- Yes - the current budget supports operations addressing vacant, nuisance, and neglected properties. The departmental restructuring, updated policies, and technology have strengthened efficiency and case management. The department can effectively manage property issues without additional funding at this time.



Question 5. Answers *continued

c. Share any measurable outcomes for the last 2 fiscal years, including any reductions in complaints, improved compliance rates, and if any properties brought back into productive use.

In FY26, due to the proactive work, enforcement and monitoring efforts from our vacant property team and staff we have:

- Transitioned **217** properties from vacant to occupied
- Identified **153** new vacant properties
- Issued **2085 violations** to vacant properties
- Issued **220 civil fines** to vacant properties
- Issued **475 instant tickets** to vacant properties
- Issued **523 Warnings** to vacant properties



Question 5. Answers *continued

d. Specify amount of funds recouped for the last 2 fiscal years for Property Maintenance.

- We have recouped \$148,000 in FY25 from Property Maintenance
- The city does not yet have final revenues for FY 2026.



Question 5. Answer *Continued

e. Specify amount of revenue collected for Nuisance Properties for the last 2 fiscal years.

- We do not collect fees for Nuisance Properties.

f. Specify funding budgeted pertaining to wild animals, rodents, etc.

- We currently have \$30,000 in a shared consultant line if needed. Our goal is to attempt to hold owners accountable for their properties and will only use city funds if needed.



Question 5. Answers *continued

g. Share the number of vacant properties in the city.

- We currently have **1084** vacant properties in the City of Wilmington.

i. Specify the number of vacant properties for the Landbank.

- **39** vacant structures owned by the Landbank

ii. Specify the amount of vacant property registration fees collected the last 2 years.

- \$1,030,519 Vacant Property Registration Fees collected in FY2025
- The city does not yet have final revenues for FY 2026. However, billed Vacant Property Registrations for FY 2026 are approximately \$5.3 million, which is up from the FY 2025 billed amount of \$2.1 million. Assuming a similar rate of bad debt in FY'26, total Vacant Property Revenues would be around \$2.6 million, an increase of \$1.6 million.



Question 6.

Considering there are **17** Inspectors, share how this budget addresses the following items below, and specify if there are sufficient budgeted allocations:

- a. Rental Inspection Enforcement
- b. Virtual Inspections
- c. Non-licensed Rental Property Owners
- d. Working without a permit (on weekends and after hours)
- e. Demolitions
- f. Rent Escrow



Question 6. Answers

- a. Rental Inspection Enforcement – Yes, the current budget supports operations addressing rental inspections

The establishment of the rental team, changes to the rental inspection and scheduling process have led to:

- An increased of 625 units inspected so far in FY26 from the 584 inspected in FY25
- The new target goal for FY26 is 1000 units inspected

b. Virtual Inspections

- We currently do not do virtual inspections



Question 6. Answers

c. Non-licensed Rental Property Owners

The establishment of the rental team and proactive approach to identify unlicensed owners and unregistered units have led to:

- **457** violations issued for owners operating without a valid rental license or units registered as required by code
- **275** violations have been brought into compliance
- **376** unregistered rental units have been brought into compliance
- **87** Civil Fines have been issued for a total of \$86,000

With the pending legislation, system enchantments, addition of the Property Compliance Officer and continued support of the current limited-service employee we'll be able to increase our efforts leading to more enforcement of the non-licensed rental property owners.



Question 6. Answers

d. Working without a permit (on weekends and after hours)

When Licenses and Inspections on-call Inspector identifies work being done and no permit is on site outside of work hours, the inspector will first make sure the site is safe. The contractor will be directed to follow up with the Department Land Use and Planning during business hours to obtain the necessary permits if required.

The Inspector will notify Licenses and Inspections management team who will send email of incident to Land Use & Planning's designated permit email and copy the Deputy Director/Supervisor.



Question 6. Answers

e. Demolitions (*within your department's purview*)

- We budgeted \$10,000 to be used for small demolitions, fencings, stabilizing properties until we're able to escalate and site is investigated by building inspectors from Land Use and Planning.

f. Rent Escrow

- The rental escrow will be administered by the First State Community Action Agency. Their contract will be funded by a \$100k grant from the Neighborhood Stabilization Fund. The Mayor's Office will monitor the grant funds throughout the year. Once the funds reach a critically low point (\$25k), we will arrange for another infusion.



Question 7.

Understanding the City does not directly oversee Animal Control Enforcement, share if the **\$310K** allocated for the Animal Control Contract sufficiently addresses the needs of the city, please explain why or why not.



Question 7. Answer

Yes, The **\$310K** allocated for the Animal Control Contract is enough, the amount is based on the current contract amount that expires June 30, 2027.



Question 8.

Share the amount of funding allocated for training, and professional growth and development for your staff.



Question 8. Answers

Approximately \$15,000 is allocated for professional learning, continuing professional growth and staff development across several budget lines.

Some of the funds are mandated by the Collective Bargaining Agreement for annual bonuses for obtaining and maintaining their International Code Council (ICC) Certification and required membership renewal.

The rest of the funds are used for training events and continuing education for recertification.

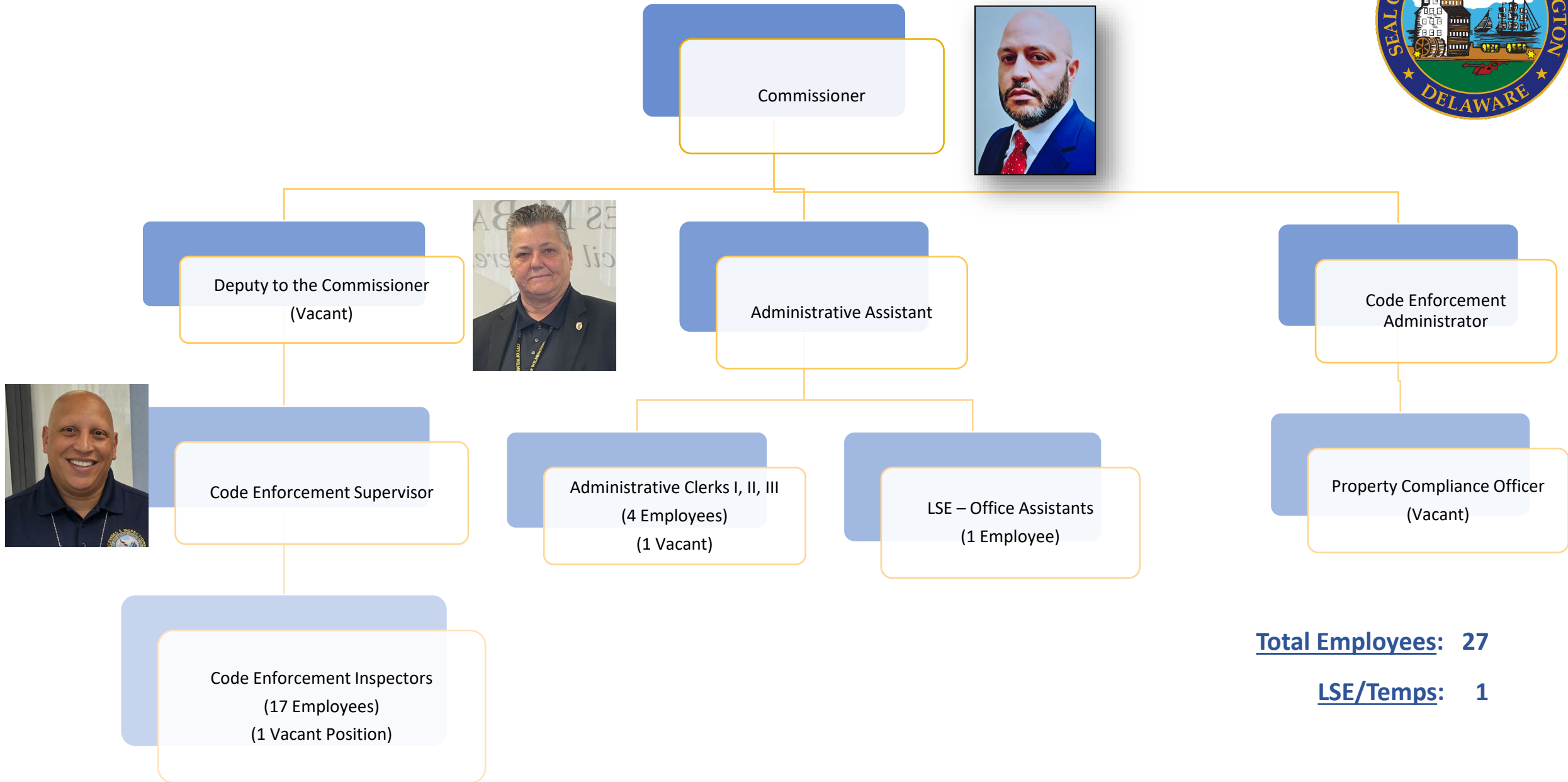


Question 9.

Provide FY2027 proposed organizational chart with the total number of employees (i.e. permanent, temporary, contract, vacancies).

a. Please include in the Org chart a photo of all Directors, Managers, Divisions Heads, and Supervisors.

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Total Employees: 27

LSE/Temps: 1