

Key Findings in Response to Interview Questions

Why were the programs set up or why are they being maintained?

- Champlin and Shakopee started theirs mostly because of excessive police calls at rental properties.
- Chaska, Blaine, Andover, Mendota Heights, Rosemount, Saint Francis, and Spring Lake Park had issues with homes not being adequately maintained and wanted to preserve the housing stock better.
- White Bear Lake was receiving excessive amounts of calls from tenants regarding tenant-landlord disputes and wanted to keep better track of properties.
- Elk River and Saint Paul have their programs mainly to ensure tenant safety.
- Maple Grove's program is designed to maintain the housing stock and ensure safe rental conditions.
- Minneapolis's program is designed for both tenant safety and crime prevention.

Who Administers the Program?

- Most communities have their building inspectors do inspections and have their building departments provide administrative support
- Saint Paul's and Blaine's inspections are done by special fire inspection departments
- Columbia Heights and Chaska have their fire departments do inspections.
- Andover's exterior-only inspections are done by the assistant city planner.

Is there any charge for inspections?

- All communities that were surveyed charge fees with the exception of Shakopee with their rental registration program.
- Blaine recently had to dramatically raise their fees because the size of the program required the hiring of a second inspector which was causing the program to run at a deficit of \$35,000 each year. The program now is designed to break even.
- Most cities charge a yearly, bi-yearly, or in Maple Grove's case a tri-yearly fee except for Saint Paul which charges \$100 only when they perform inspections which may be as infrequently as every 6 years for well-maintained properties.

How would they rate success?

- All cities thought that their programs had been at least somewhat successful
- Several cities report that calls for service are way down and other cities report that their housing stock is better maintained.

- Hard to give all the credit to the licensing programs without a more scientific analysis but Shakopee had the lowest crime rate in 20 years last year after implementing their program in 2013.

How is program received?

- Neighbors love these programs as do most “good” landlords.
- There are sometimes some complaints by neglectful landlords but even many landlords of problem properties like programs that provide some oversight of their tenants and help them keep their properties safe.

What is the Level of Inspections?

- Most cities do thorough exterior and interior inspections and enforce city codes for minimum livable conditions.
- Andover does only exterior inspections.
- Shakopee and Mendota Heights do not do inspections at all.

Frequency of Inspections?

- Once per year in Elk River, Moundsview, Brooklyn Park, and Bloomington
- Every 2 years in Andover, Cottage Grove, Columbia Heights, Chaska, Spring Lake Park, Saint Louis Park, and White Bear Lake.
- Every 3 years in Maple Grove and Blaine.
- Variable inspections in Coon Rapids, Saint Paul, Minneapolis, and Champlin
- Some cities, including Blaine and Columbia Heights, send inspectors on off-years to do quick inspections of the exterior of the property without going inside.

Benefit to Passing Inspections?

- Some cities such as Columbia Heights charge reinspection fees if a property fails.
- Blaine charges a slightly discounted yearly renewal fee (\$130 instead of \$190) after three years if the property does not have any issues.
- Coon Rapids, Saint Paul, Minneapolis, and Champlin all have tiered inspection frequency and let good properties go longer between inspections.
- Minneapolis and Saint Paul both have tiered fee structures.
 - Minneapolis actively charges bad properties more, 3X as high of fees for the worst properties.
 - Saint Paul charges \$100 due at each inspection but no licensing fees so infrequent inspections= savings

Crime Free Housing and other Landlord Trainings?

- Coon Rapids, Brooklyn Park, Saint Louis Park, and Shakopee require crime free housing.

- Minneapolis has a similar program run by their police department that is highly recommended and required in cases where there have been problems with a property owner.
- Maple Grove requires crime free housing if the landlord owns more than one rental unit.
- Coon Rapids and Shakopee report that owners grumble about having to take the class but then consistently give the class rave reviews after completing it. Most of them eventually concede that they're glad they took it.

Other Crime Prevention programs?

- Most of the cities that were surveyed offer crime free lease addendums on their websites that landlords can voluntarily choose to use.
 - A crime free lease addendum gives a landlord the right to evict a tenant who repeatedly engages in criminal activity who ever engages in certain types of criminal activity.
 - Shakopee, Maple Grove, Bloomington, West Saint Paul, and Columbia Heights require crime-free lease language which they specify in their municipal codes.
- Many cities encourage landlords to run criminal background checks on potential tenants so they are better prepared to deal with issues that might arise even if they do decide to rent to someone with a criminal past.
 - Columbia Heights, Anoka, Maple Grove, Bloomington, and Shakopee require background checks for tenants
 - Coon Rapids actually requires a background check for the owner of the rental property and their property manager/agent and has restrictions on who can be a landlord.

Why did Chanhassan get rid of their rental licensing program?

- Somewhat political
- Council felt that it took up too much staff time
- Inspections were very frequent, semi-annually for some properties, and there was a resident backlash against the intrusiveness.
- The city kept all the codes on the books and still enforce them on a complaint-based basis, they just don't do inspections anymore.

How is Forest Lake (similar sized city) managing without rental licensing?

- Forest Lake doesn't have a ton of rental properties that cause problems but there are a handful of repeat offenders
- City has very limited tools for dealing with problem properties
- Only real option is to declare a building to be a hazardous building if it gets really bad which involves both the City Council and the courts system
- The City currently only has the authority to walk on the property, no ability to inspect interiors
- The neighbors of problem properties call the city to complain a lot but the community doesn't seem to care very much.

- It is a community values issue and large swaths of the Forest Lake population have a very rural mentality and don't like property regulation.
- Forest Lake's planner expects that the City might start to regulate multi-family sometime in the near future but that single-family regulations are likely a long ways off, will require more suburbanization and attitude shifts.

Other Take-Aways

- In most cities, the rental license is not transferrable, Saint Cloud being the exception.
- Some cities, Coon Rapids for example, have experimented with using third-party inspectors but most have ultimately decided that there is benefit to having the inspections performed by city staff (increased oversight and accountability?).
 - West Saint Paul continues to use third party inspectors and actually lets property owners choose an inspector from a list of city approved vendors.
- At a minimum, having some kind of registration program gives the City accurate contact information with which to reach the owner if there is an emergency at the property.
- Many cities allow family members of owner to rent without going through licensing.
- Group homes do not require licensing because they are licensed through the state.