

Rental Licensing Overviews

Andover

- Program started in 2009
 - Mainly to keep track of rentals in the city.
- Inspections are performed by the assistant city planner- only the exterior of house
 - Looking at yard, house upkeep, junk cars, etc.
- Permits are \$50 for two years and inspections are every two years.
- The program is generally considered a success
- Property owners don't seem to mind, the fees are quite low compared to neighboring cities
- They do inspect the interior of multi-family including town-homes, just not for single-family.
- They track crime data relating to each rental property, this is shared with the police.
- If there is a problem with a property during inspections the assistant planner calls the landlord and gives them a few weeks to work on it. Then they reinspect.

Blaine

- Program started in 2006
 - Lots of complaints about substandard properties
- They require licenses for all rentals
- Administered through the fire inspection department- They have 2 inspectors who just do property rentals
- Blaine has 1350 licenses
- They catch landlords trying to evade the program all the time, either when neighbors call to complain or when utilities get contacted by a renter and call the city to report it.
- The City charges a \$60 per month late fee on rental licenses if a landlord does not register and starts renting the building
- There is an initial inspection of interior followed by another inspection every 3 years
 - Every year there is an inspection of the building's exterior
- \$190 for one unit, otherwise \$180 +10 for each additional unit
- Has been a success, many run-down houses have been improved
- Landlords don't like the program but neighbors love it
- No crime free housing programs are required.

Champlin

- Program is 10 years old
- Started because of excessive police calls that were ultimately found to be related to rental properties
 - These calls were causing a lot of neighborhood distress and there didn't seem to be any other way to address them.
- Inspections take place initially and then every three years for all structures with less than 5 units

- Might be moved up to as frequently as multiple inspections a year for problem properties- decided on case by case basis
- Program administered and inspections made by the code enforcement department with some support from building inspections.
- Champlin requires properties to meet the standards of the international exterior property maintenance code 2006- <http://www.claremorecity.com/DocumentCenter/Home/View/338>
- Overall the community is supportive
 - Neighbors are extremely supportive, most good landlords are too
 - The only detractors are some of the landlords of problem properties but even they like having the ability to keep closer tabs on problem tenants and evict them if necessary
- Group homes are exempt from licensure since they are licensed by the state- this might actually be a legal requirement for all municipalities.
- Champlin has tried to do some education programs for landlords but does not currently require anything along the lines of crime free housing.
 - They do recommend to landlords that they put crime-free addendums in their leases
- Champlin has a 3-strikes rule for renters when it comes to police calls for certain types of crimes such as drug use, alcohol crimes, and disorderly conduct
 - Tenants can be evicted on the third infraction, this mostly happens in multi-family

Chanhassan

- Got rid of their licensing and inspection program in 2011
- They decided that it took too much staff time
 - There was also a political component to it.
- They had very frequent semi-annual inspections and that caused a backlash from residents
- The process is now complaint based, the City still reserves the right to inspect properties that are complained about
- They retained all the codes and can still enforce them
- They just don't actively inspect or license any longer.

Chaska

- Program started in 1993
 - Started to keep housing stock in good condition for future residents.
- Inspections performed by Fire Marshall and the documentation is all managed by the permit tech
- \$50 for first unit, goes up by lesser amounts for additional units
- Inspections are every two years but fees are charged each year
 - There have been some minor complaints about this, some landlords don't like just paying the city on off-years and getting nothing for it.
- A barrier to success has been a lack of advertising
 - Many landowners don't know about the program and there are lots of unlicensed rentals

- City has a program whereby if a renter starts to pay utilities the city sends the owner a letter telling them they need to license the property- no penalty for moving residents in without licensing.
- No rewards in place
- No crime free housing but there is a police liaison who tries to informally build relationships with renters especially in multi-unit properties.

Columbia Heights

- The fire department does inspections
 - New rentals are examined by public works
- Inspections are every other year on the inside and every year on the outside
- Landlords have 30 days to make corrections after the initial inspection and then get one free reinspection
 - Additional re-inspections carry an added fee
- Most landlords are fine with the program, the ones that don't like it are the bad landlords who are get caught violating code.
- No crime free housing program.

Coon Rapids

- Started in 1999 as a rental registration program.
 - Was eventually transformed into an inspections program
 - Started mainly to know what properties were being used as rentals but also eventually became more about making sure that tenants were being provided with decent housing options.
- The registration program was free but the inspection program has fees in order to pay for the inspections.
- The program is administered by two housing inspectors who are supported by an administrative person.
 - At one point they contracted with a third-party inspector because of the volume of inspections but they have since phased this out.
- There is a "reward" for good property maintenance in that such property owners are subject to less frequent inspection
 - Every property must renew their license each year and pay that fee but there is an additional fee for each year that an inspection is scheduled.
- The rental licensing program has been great.
 - It is pretty much the only legal tool that cities have in order to protect housing stock and hold landlords accountable.
 - Some property owners believe the program's requirements are excessive but most of the responsible property owners are very supportive of the programs and understand that it keeps the housing stock nice and prevents problem tenants and landlords.

- Crime Free housing has been great for people who have never been landlords such as “accidental landlords” who are renting because they haven’t been able to sell their property.
 - Owners initially grumble about having to take their class but consistently give the class rave reviews after completing it.

Elk River

- All rental properties licensed
- Building department manages the program
 - Building inspector does inspections
- License good for one year, every year there are inspections
- No rewards in place at this time for good landlords, everyone pays the same rate and has yearly inspections
- Great way to keep rental housing safe
- Owners grumble about the fees and frequency of inspections but like that there is some oversight.

Forest Lake

- No rental licensing program
- Comparable size to the City of Ramsey
- There are a few not habitable properties in Forest Lake
- The City has limited tools in dealing with them.
- The City’s only real option is to declare a building to be a hazardous building
 - Involves the City Council and the courts system
- The City only has the authority to walk on the property, they cannot inspect the interior without permission
- Neighbors complain to the city council but nobody except the immediate neighbors of those problem properties seems to really care.
- Seems to be a community values thing, Forest Lake has a lot of rural residents and they value privacy a great deal, they out-vote the residents of the urbanized areas who might want slightly more regulation.
- Might change as more suburban development occurs, new families might have different values and flip things.

Minneapolis

- Minneapolis has rental licenses both for preservation of the housing stock and for public safety
- Inspects both interior and exterior of rental properties
 - Does proactive building exterior code enforcement for homesteads as well
- Dwellings that have fewer than 3 units are covered by section 244 of the property maintenance code.
- Dwellings with more than 3 units are subject to section 244 **and** the fire code as well
- Minneapolis has a tiered system for rental licensing
 - Has had a tiered inspection program for years but recently instated a tiered fee program as well

- Tier 3 is for bad properties
 - They pay 3X the normal licensing fees
 - They are subject to yearly inspections
- Tier 2 is poor-fair properties
 - These properties are either on a 2-4 year inspection cycle or a 3-5 year cycle
 - They pay elevated fees as well but not as much as Tier 3
- Tier 1 is for good properties that are well managed
 - They actually pay less than what the licensing fee used to be
 - They only need to get inspected every 5-7 years
- Minneapolis tries to be consistent with their criteria for determining tiers. The tiered system figures in:
 - Police calls
 - Code violations
 - Letters of intent to condemn
- Apartments generally are not the ones that cause Minneapolis the most trouble, most of the tier 3 properties are single family.
- Offers voluntary trainings on crime prevention and rental management to license holders.
 - It is a proprietary program developed by the Minneapolis Police Department
 - Claims to be more effective than crime free housing
 - The code allows the city to force problem landlords to take this training.
- Hard to say exactly what the effects have been, housing values are up and the city is condemning less properties but this could just be because of the end of the recession.
- Hard to make an assessment on the program's effects on crime since the city has added a huge amount of housing units in the last 2 years and while total crime numbers have gone up per capita rates have stayed relatively flat.

Saint Paul

- Does not do registration or licensing but rather issues "Fire Certificates of Occupancy"
- Saint Paul tracks and inspects over 13,000 single family homes- started in 2007
- It is a very fluid process in Saint Paul, properties become rentals and then go back to be owner-occupied with frequency
- The initial inspection is often quite a project, especially on older homes, since there are often decades of issues to correct
- Saint Paul's inspections enforce their property maintenance code and the housing code
- Administered by the "Fire Safety Inspection Division," essentially the fire marshal although it exists outside of the fire department
- When someone wants to begin renting they apply for a provisional license which allows them to immediately start renting out their property while they await an inspection (there is a sizeable backlog)
- The provisional license is \$100 and must be renewed every year until an inspection occurs
- During the inspection, the inspector will use a compliance matrix to put the property into either group A, B, C, or D based on if there are small issues or potentially life-threatening issues
- Group A properties are only inspected every 6 years, Group D properties are inspected every year.

- The only fees in this program are inspection fees, \$100 for each inspection, so compliant property owners end up saving hundreds of dollars since they only have to have an inspection every 6 years.
- City recommends but does not require Crime Free Housing
- The City requires “Landlord 101,” a program that they have put together
- The program seems to be working great and is achieving its goal of helping to ensure safe housing for Saint Paul residents.

Shakopee

- Rental registration program, not rental licensing
- Passed in June 2013 in response to lots of problems and police calls from properties where the landlords were ill-equipped to handle such issues.
- Every rental property must register and either the owner or a local agent must take a crime free housing 8 hour seminar
 - The owner can take it to qualify even if they live out of state but ideally the seminar would be taken by the local agent.
- Registration also gets the contact information on file so the City knows who to reach in case of an emergency
- No inspections in this program
- Structures with 4 or more units require Phase II training in the Crime Free Housing program although the owner is not actually required to implement the changes, just have the training
- Staff probably would have preferred a full licensing program with some code enforcement but the council was split on the issue and registration for crime prevention was more politically palatable
- Program is free, crime free housing seminar is \$25 which covers food.
- Owners have 1 year to take the class after registering their property
- Failure to register or take class is a misdemeanor
- In terms of reception, good landlords have been very supportive of the program
- Problem landlords have often grumbled about having to take a day off of work to attend the seminar but have given it rave reviews afterwards and said they wish they had taken it sooner
- Corporate rental agencies like Renters’ Warehouse are already certified
- Last year Shakopee had the lowest crime rate in 20 years
 - None of the multi-family units were in the top-10 list of problem units which is unprecedented.

Spring Lake Park

- The program has been in place for about 8 years
 - Multi-family has been licensed since 2000 but single family was added during the housing crisis when many people stopped adequately maintaining their properties.
- Program was created for housing stock preservation/code enforcement reasons
- The building inspector is responsible for doing inspections.
- The front desk receptionist is in charge of handling the paperwork
- Inspection is every other year with no exceptions

- Common areas of multi-family units are inspected every year per the fire code
- There is no landlord training offered or required

White Bear Lake

- Started program in 2008
 - Began because of high amount of tenant landlord disputes that led to phone calls to the city
- Ordinance requires that all homes be licensed
- The program is run through the building department, inspections performed by the code enforcement officer and two building inspectors
- Inspections are every 2 years
- Fees are low, \$50 for two years as a base price with an increase of \$7 for each additional unit
- Landlords don't seem to mind, possibly because of how low the fees are.
- The program has helped out a lot, phone calls are much less frequent than they had been.