

# Memorandum

## City of Lawrence

### Planning & Development Services

**TO: David L. Corliss, City Manager**

**FROM: Planning & Development Services Staff**

**Date: March 12, 2014**

**RE: Rental Expansion - Commissioner Riordan's Questions**

On February 25, 2014 Commissioner Riordan requested that staff contact other municipalities that enforce rental registration in order to obtain more information about their programs. Commissioner Riordan provided staff a list of 10 suggested questions. Outlined below are responses to Commissioner Riordan's questions, and to an eleventh question added by staff, as of March 12, 2014. The information is provided from email responses from each city. Staff edited responses for grammar but the content is essentially unfiltered.

1. When did they first institute their licensing and/or inspection program? Advise if it is only licensing.

#### **Unified Government of Wyandotte County**

- Program began in June of 1996 and inspections have always been part of the program.

#### **Ames, Iowa**

- Rental code was written and enacted in 1977.

#### **Iowa City, Iowa**

- The City of Iowa City began the rental housing inspection division in the mid 1970's.

#### **Lenexa, Kansas**

- The program began in 2008. Lenexa licenses all units and conducts exterior inspections every other year. Interior inspections are only performed at a tenant's request.

#### **Boulder, Colorado**

- The City of Boulder has had a licensing-only program since the 1990s; however, when the program initially began in the 1970s, it was both a licensing and inspection program.

### **Bloomington, Indiana**

- First ordinance was passed in 1961, but the actual platform for the existing program was passed in 1972. The program requires inspections.

## **2. How many staff members are employed for this activity?**

### **Unified Government of Wyandotte County**

- 8 employees - 4 inspectors, 2 support staff, 1 inspection supervisor and 1 manager.

### **Ames, Iowa**

- 2 full-time inspectors that inspect rental properties on a daily basis. In addition, one half-time clerical staff that schedules the inspections and does some of the paperwork.

### **Iowa City, Iowa**

- 4 full time inspectors, .75 FTE complaint inspector, 1 support staff, and 1 supervising senior housing inspector.

### **Lenexa, Kansas**

- Four, but none are dedicated to this program. One person is a front line staff member who assists with annual licensing and applications as they come in, two are full time community standards officers who conduct exterior inspections, usually in the early spring before grass complaints peak. One person oversees both the licensing and inspections; this person also conducts the multi-family inspections and any interior inspection requests, and pursues municipal court action or rental license revocations when necessary.

### **Boulder, Colorado**

- Currently, Boulder has one half-time administrative specialist and one half-time enforcement officer dedicated to Rental Licensing, and a full-time fixed-term administrative specialist who administers Boulder's SmartRegs program, which is a "sister" program to Rental Licensing (this person often helps with special Rental Licensing projects).

### **Bloomington, Indiana**

- There is no one in the department that is dedicated to any one thing. There are a total of 16 employees (probably soon to be 17). Of those, 4 are staff assistants and 7 (soon to be 8) are compliance officers who spend time working on the inspection program.
3. How many inspections do they do a year and how many re-inspections do they have to do on average?

### **Unified Government of Wyandotte County**

- Average 9 inspections per day, per inspector. This includes 3 to 4 initial inspections in the morning and 4 to 5 re-inspections in the afternoon.

### **Ames, Iowa**

- Averages are scattered due to staffing levels in previous years. In 2013, the City was fully staffed, so these numbers are reflective of what a typical year should look like. There were 1,127 initial inspections conducted and 750 re-inspections conducted during 2013. Ames currently has 12,577 registered rental units and 3,174 total rental properties.

### **Iowa City, Iowa**

- There are 17,385 rental housing units. There are 4,103 rental permits. Systematically, staff inspects over 2,000 rental permits (buildings) and 8,000 units yearly. Staff also inspects 1,400 units for housing assistance yearly. Approximately 75% of the systematic rental inspections require a re-inspection. About 25% of units that are inspected for housing assistance require a re-inspection.

### **Lenexa, Kansas**

- In 2012, 345 exterior inspections were completed with 77 that failed and required follow up code notices and inspections. In 2013, 349 inspections were conducted and of those, 23 failed.

### **Boulder, Colorado**

- Boulder city staff does not perform inspections. Boulder has approximately 20,000 licensed rental units that need to be inspected at least once every four years.

### **Bloomington, Indiana**

- In 2013, 6,534 units were inspected with about 95% requiring a re-inspection.

4. How well are they accepted by the landlords and by the renters?

**Unified Government of Wyandotte County**

- Now, the landlords accept the program as just part of doing business, but the program has been in place for 17 years. At first, staff experienced some resentment, but that was short-lived. Tenants for the most part are fine with city staff coming into their dwellings because they know that the city is inspecting to ensure the tenants are safe.

**Ames, Iowa**

- Over time, the landlords and renters have accepted the rental program and the associated inspections. There is an appeal process that helps the landlords to feel more confident with the inspection process. The tenants are not very vocal unless they feel that their landlord isn't following the code. When this occurs, the city can assist them through a complaint process.

**Iowa City, Iowa**

- The program has been in place since the 1970's. It's a very mature program, and well accepted by tenants and landlords.

**Lenexa, Kansas**

- Lenexa is six years into the program, so there is very little push back, if any, at this point. Staff does less than 10 interior inspections annually (only for life, health and safety) and have had no problems getting landlord compliance on those issues. Occasionally, staff receives complaints that they are being stricter on rental vs. owner occupied properties.

**Boulder, Colorado**

- Most landlords appreciate the Rental Licensing program.

**Bloomington, Indiana**

- Program has existed for over 40 years, so there are very few landlords that pre-date the program; therefore, it is generally accepted by them. The landlords will sometimes grumble about the inspection fees (\$60/building + \$25/unit) and doing some of the maintenance work called out by the inspections. In general, the tenants appreciate the program. Staff sometimes cites the tenants for violations and tenants don't always appreciate that.

5. What types of structures are included in their inspections?

**Unified Government of Wyandotte County**

- All residential rental properties, single family to apartment complexes.

**City of Ames, Iowa**

- Currently, staff inspects all types of housing. The only exceptions to the code are owner-occupied single family dwellings, hotels, university housing, state-licensed facilities, and any other facilities regulated by state or federal authority. Our inspectors will inspect single-family homes (if they are being rented), duplexes, and multi-unit apartment buildings. Staff does not inspect Fraternities and Sororities.

**Iowa City, Iowa**

- Trailers, single family houses, zero lot lines, duplexes, multi-families. Everything but university dorms.

**Lenexa, Kansas**

- Staff inspects the exterior of any rental single family homes, duplex, triplex and apartments.

**Boulder, Colorado**

- Boulder contracts the inspections out through private inspectors. The contract inspectors are required to perform structural, mechanical, plumbing, and electrical inspections. Homeowners are required to verify that smoke detectors and carbon monoxide detectors are installed according to code and that they function properly, and that they have hired a commercial hauler to remove trash.

**Bloomington, Indiana**

- Under Title 16, staff inspects residential rental units on a cyclical basis and lodging establishments (hotel/motel) by complaint. Single family structures that have been modified to be multiple units and multi-family units (typical apartments). City has 22,118 units licensed.

6. How often do they inspect each unit?

**Unified Government of Wyandotte County**

- Single family units to 5 unit structures are inspected every 5 years. 6 unit and up structures are inspected every 2 years.

**City of Ames, Iowa**

- Inspection cycle is between 1 and 4 years based on the type of property and number of violations at the first inspection.

**Iowa City, Iowa**

- Every two years.

**Lenexa, Kansas**

- Exterior is done every other year, interior at tenant's request only.

**Boulder, Colorado**

- Every four years or when a currently licensed rental property changes ownership.

**Bloomington, Indiana**

- Inspect on a 3, 4 or 5 year basis. It depends on a variety of factors as to what length of permit the unit receives. They also inspect by complaint.

7. Are there any incentives to passing an inspection (no major violations, few violations, etc...)? For example is the next inspection moved out several years pass the normal cycle?

**Unified Government of Wyandotte County**

- No, there is not.

**City of Ames, Iowa**

- For most properties, if everything passes on the first inspection, the property will receive a Letter of Compliance (LOC) for the full time period as allowed by code, four years. If there are re-inspections, the property can receive a LOC for fewer years. Property maintenance violations throughout the year can also affect how many years their LOC is good for.

**Iowa City, Iowa**

- The only incentive is that you don't have to see the city for another two years if it passes inspection.

**Lenexa, Kansas**

- No

### **Boulder, Colorado**

- If an owner renews their rental license before it expires, they only have to get a renewal inspection, as opposed to a baseline inspection. These two inspections are similar, though prior to new code adoptions in 2012, the differences were much greater. The main difference now is that the renewal inspection does not include a plumbing inspection.

### **Bloomington, Indiana**

- A property owner can earn up to a 5 year permit if the inspection is scheduled prior to the expiration of the previous permit, the property owner complies with any violations noted in the report within 60 days and pays their license before the billing statement is due. If there are no violations found, a discount of 25% will be applied since the city does not have to re-inspect.
8. Do they have a separate evaluation sheet (codes) or do they use their regular minimum housing codes?

### **Unified Government of Wyandotte County**

- Use a computerized guide sheet but the codes are International Codes (Plumbing, Mechanical, NEC Electrical, Building, Residential and local zoning codes). Points are assigned for each violation. Anything under 25 points per unit that are not life, health, safety pass the inspection.

### **City of Ames, Iowa**

- Much of the code is based off of the International Property Maintenance Code (IPMC), but there are also additional requirements the city has added to its code.

### **Iowa City, Iowa**

- Enforce the Iowa City Housing Code. It's fine per staff, but staff would recommend using the International Property Maintenance Code.

### **Lenexa, Kansas**

- No. The city does have a checklist that has been put together for inspectors and landlords when conducting exterior inspections. This keeps things consistent and also assists landlords in preparing for the inspection.

### **Boulder, Colorado**

- The city provides inspectors/contractors a rental licensing checklist that references housing and IPMC codes.

**Bloomington, Indiana**

- Required to maintain the unit to the same regulation used when building it. A building/house built in 1993 would have to be maintained to that code's standard.
9. Do they feel that their inspection program has provided greater safety for their citizens?

**Unified Government of Wyandotte County**

- Feedback from citizens is that they feel that the program has helped with safety as well as reducing neighborhood problems.

**City of Ames, Iowa**

- There is a significant cross section of the rental community who feel that a portion of the rental code does provide greater safety, while other provisions are more aesthetic and not safety related. The City rental team does feel that the program has provided greater safety for their community.

**Iowa City, Iowa**

- Yes, they believe the program has provided a greater amount of safety for tenants. It is their opinion that the city provides a great service to the tenants and to the landlords.

**Lenexa, Kansas**

- Not sure greater safety as it is only an exterior inspection, but it has allowed the city to really push for some larger improvements at multi-family properties.

**Boulder, Colorado**

- Yes

**Bloomington, Indiana**

- Yes, they have over 22,000 units and their largest tenancy in Bloomington, due to the presence of Indiana University, is between the ages of 18-25. Have had very few issues over the years.

10. Do they have any suggestions to us for a better rental registration process?

**Unified Government of Wyandotte County**

- Be consistent and set your program up with specific guidelines that all inspection staff follows. Make sure that you have a dedicated Rental Licensing staff, so that their interest is not split. Treat landlords as valued members of your community and stress that safety in their properties benefits everyone. Also be sure that you have a strong supportive commission behind you that goes a long way in a solid program. Make sure that you launch a sound PR program prior to initiating and answer all of the questions as clearly as possible. You might also see if insurance companies in your area will give the landlords a break if they have the inspection.

**City of Ames, Iowa**

- Their best suggestion would be to not create your own code. Adopt an existing code that gets updated on a regular basis such as the IPCM.

**Iowa City, Iowa**

- It's going to be rough. You're going to be fighting some hard battles with a new inspection program. You don't get to this position overnight and you're not going to get out of it overnight. Make incremental changes. Don't get hung up on one issue - you're better off getting through more units than worrying about getting everything the 1<sup>st</sup> time through. Rotate inspectors. Each inspector sees different things. If people are complaining about the increase regulation and expense, direct them to East Lansing Michigan's rental inspection program. <http://www.cityofeastlansing.com/Home/Departments/BuildingCodeEnforcement/RentalHousingInformation/RentalPropertyOverview/>

**Lenexa, Kansas**

- Did not answer.

**Boulder, Colorado**

- Recommend employing at least one full-time administrator of the program for a city the size of Boulder. Have found that half-time is not enough to process all applications, even without in-house inspections offered. Also believe that an enforcement presence is absolutely necessary to ensure compliance.

**Bloomington, Indiana**

- The main thing is periodic inspections. They find that lower income tenants are afraid to complain for fear of eviction -- whether or not that fear is reality. In Bloomington, tenants really don't have to complain. They know at some point, the city will be back to inspect and the landlord will be required to fix whatever is wrong with the unit.

**11.** Are the inspections only exterior or do they include interior?

**Unified Government of Wyandotte County**

- Both

**City of Ames, Iowa**

- Their inspection process covers the whole property, both internal and external. If a property is not due for an inspection and our office receives a complaint on the exterior of a rental property, we will enforce on the complaint. They also have a process for tenants to file complaints against their landlords if they have given the landlord ample time to fix something and they have not done so.

**Iowa City, Iowa**

- Inspect it all, exterior and interior.

**Lenexa, Kansas**

- Exterior and interior at tenants request for life, health and safety violations.

**Boulder, Colorado**

- Inspections include interior and exterior evaluations.

**Bloomington, Indiana**

- They do both internal and external inspections. The city wants the rental units maintained for both the tenants and the neighborhood.