

## Rental Registration in Roseville

Trevor Johnson

University of Northwestern—St. Paul

Table of Contents

Abstract.....3

Introduction.....4

Background.....5

Research Strategy.....8

Findings

    Roseville, Past.....9

    Roseville, Current.....11

    Approaches taken by other cities.....18

        Review of common elements in rental regulation ordinance.....19

        Four Models of Regulation.....21

Applicability for Roseville: Recommended Changes.....28

References.....35

Appendix A.....38

Appendix B.....39

### Abstract

This study considers the Rental Registration Program in the City of Roseville, Minnesota. The Rental Registration program covers 1-4 unit rental properties, commonly called single-family rentals. In this paper, the origins of the program in Roseville are reviewed, the current functionality of the program is evaluated, alternative approaches taken by other cities are explored, and recommendations for improvement are given based on observed best practices. The central recommendation of this study is to increase efforts to educate property owners and managers about their responsibilities under existing law regarding property maintenance and safety standards for rental properties, by including information about common problems and important safety issues in the application process and requiring an affirmation of compliance. The implementation process of these recommendations in Roseville is outlined and the educational materials developed in accordance with the recommendations are presented.

## **Introduction**

The City of Roseville has two programs for the regulation of residential rental properties: the Licensing for Multifamily Rental Dwelling (MRD) program (City Code Chapter 908), which applies to properties with five or more units, and the Rental Registration program (City Code Chapter 907), which covers properties with one to four units. The Licensing program includes regular inspections and assigns properties to one of four classes based on the findings of the inspections. The Registration program does not include inspections, and properties are not classified according to compliance or maintenance standards. The City is interested in evaluating the performance of the Rental Registration program in accordance with its stated goals, “to identify and quantify small rental units in the City and to provide information and a method to enforce minimum standards to meet City and State safety, health, fire, and zoning codes...and to provide a more efficient system to ensure that the stock of rental property within the City is properly maintained” (Roseville City Code 907.01). Additionally, the City would like to explore whether the current scope of the Registration program is sufficient, or if there are issues that are not being addressed by the current program.

This evaluation of the effectiveness of the Registration program involved interviews with Roseville Community Development, Finance, and Police staff, as well as staff from other cities. In addition, the available academic literature and the records of relevant City Council meetings and public comments were consulted. This report will summarize the approaches taken by other cities and identify the issues that prompted these responses, identify issues not being addressed by the current configuration of the Registration program in Roseville, and recommend updates to

the Registration program based on successful implementation in other cities and in accordance with Roseville's community development goals.

**Background: Small rental properties are a significant segment of the rental housing stock in Roseville and nationwide.**

In 2012, a Fannie Mae Data Note called single-family rentals (SFRs)<sup>1</sup> the “fastest growing component of the Rental Market,” and noted that “the single-family rental market has historically been and is an increasingly important part of the United States real estate market” (Kurth, 2012). According to 2010 US Census data, there are 14,623 occupied housing units in the City of Roseville, of which 4,792 are renter-occupied. Of the 4,792 rental units, 774 (16%) are 1-4 unit properties currently participating in the Rental Registration program, and an additional 164 properties have been identified as potential rentals but had not responded to City inquiries of rental status as of December 31, 2014.

Nationally, the number of single-family rentals has been increasing for close to ten years. A 2014 Wall Street Journal article reports a 31% increase in the number of single-family homes being occupied by renters between 2006 and 2013 (Andriotis, 2014). In 2012, Fannie Mae reported that SFRs accounted for 33.5% of all rentals (Kurth, 2012). Conversely, the U.S. Census Bureau reported that home ownership rates in 2014 were at the lowest level since 1995

---

<sup>1</sup> Zoning and housing definitions vary across jurisdictions. For simplicity, this study generally refers to rental housing that is not considered “multi-family” as single-family or SFR, even though the category does include duplex, triplex and fourplex properties. Roseville's Rental Registration Program covers properties with 1-4 units. In Roseville, single-family homes and individual condominium units do make up the majority (77%) of the properties in the Registration Program.

(Daneman, 2014). The financial crisis impacted the SFR market on both the supply and demand sides, as foreclosed properties were bought and converted into rentals and homeowners whose houses were foreclosed moved from owning to renting (Daneman, 2014). SFR properties are being bought by individuals looking for investment opportunities as well as large financial and real estate institutions. Traditionally an almost entirely “mom and pop” business, the SFR market nationwide is still dominated by individuals who own only one rental property. Financial analysts Keefe, Bruyette, & Woods (KBW) report that less than 15% of SFRs are owned by an entity that owns ten or more properties (Daneman, 2014). However, the number of SFR properties owned by large firms is increasing. KBW reports that “major institutional players” now have \$25 billion invested in over 150,000 properties nationwide (Garrison, 2014). Recently, real estate investment companies have increasingly marketed SFR ownership to individuals on a national level by making it easy to buy and operate rental properties in cities or states other than where the owner resides. Companies such as HomeUnion identify properties around the country that may be profitable as rentals, connect them with buyers, finance and arrange the sale, and then manage the rental property for an annual percentage on the value of the property and the rent proceeds (Prevost, 2014).

Research is limited regarding the effects that varying levels of regulation of small rental properties has on communities. Faculty from the University of Minnesota’s Humphrey School of Public Affairs, urban studies faculty from the University of Northwestern—St. Paul, and staff from the University of Minnesota’s Center for Urban and Regional Affairs (CURA) were consulted, but almost all of the available research concerns multi-family housing and publicly subsidized housing. A limited number of community-specific reports similar to this one have been carried out in recent years. The Entrepreneurship and Community Development Clinic at

the University of Texas School of Law published an analysis of rental registration in Austin, TX (Trinh, Way, & Wyatt, 2013); another study describes the current state of laws relating to rental properties in Miami-Dade County, FL (Rodriguez, 2012). The Housing Alliance of Pennsylvania maintains a resource to help municipalities minimize blight and the publication covers rental registration (2014). ChangeLab Solutions, a public health nonprofit, has also published *A Guide to Proactive Rental Inspection Programs* (Ackerman, 2014).

There seem to be a few likely reasons that single-family rental housing has escaped academic scrutiny over the years: the increase in SFR is relatively recent; a certain portion of SFR operates “under the table,” and most licensing programs rely on property owners to self-report their properties as rentals; many communities have a universal rental licensing program that does not distinguish between large and small properties; the small properties are distributed throughout the community, which prevents the compounding nature of problems that arise in multi-family units; and finally, the prevailing mindset in some communities that owning SFR properties is a “mom and pop” style informal operation as opposed to a business.

Registration and inspection of private property can be a contentious issue. The property owner, tenants, neighbors, and the state all have an iron in the fire, so to speak, and rental registration involves balancing public safety and individual rights. Starting with the constitutional protection against unreasonable searches, additional legal issues involved concern the state’s obligation to notify the property owner about inspections, whether or not consent is required or presumed, or whether the state needs to obtain a warrant to conduct the inspection. A 2010 memo from Illinois law firm Evans, Froehlich, Beth & Chamley entitled *Safety v. Sanctity* provides a good summary of these issues (Palmer, 2010). In rare cases, tenants have joined

landlords in opposing rental registration programs on legal grounds (Watkins, 2012). Some municipalities deem the operation of a rental property as a business, thereby subjecting it to all the requirements of licensing a business.

Research has shown that property management practices and local government policies can reduce crime and ease excessive demands on emergency resources, such as police and emergency medical services. Studies have established a correlation between landlord absenteeism and increased crime (Rephann, 2009), and demonstrated the effectiveness of police cooperation with landlords following law enforcement activity in rental properties (Eck and Wartell, 1999). Other studies have noted the potential for negative unintended consequences resulting from implementation of crime-free/drug-free rules (Werth, 2013).

### **Research Strategy**

Research for this project involved investigating three broad categories: Roseville's original reasons for implementing Rental Registration, Roseville's current rental situation, and best practices and models used by other communities in Minnesota.

To understand the *original* issues Roseville's Rental Registration was addressing, I consulted current Community Development and HRA staff as well as records of City Council meetings and public comments from 2006-2007, including a report prepared on the issue by a Citizen Advisory Group.

To determine what issues the City of Roseville is *currently* facing in regards to small rental properties, I spoke to Roseville Community Development, HRA, and police staff, consulted relevant inspection records and reports, and reviewed data compiled as part of the current Registration and Licensing programs. I researched the current enforcement process and



also looked at how elements of the Rental Licensing program may carry over into an update of the Registration program.

To understand the approaches taken by other cities in Minnesota, I studied local ordinances, gathered informational resources made available by the various cities to property owners and tenants, consulted news articles covering the implementation of registration and licensing programs, and interviewed staff from the other cities. I wanted to understand both what these cities were doing to address rental properties and why they had chosen to take those measures.

## **Findings**

### **Roseville, Past.**

Roseville staff initially considered implementing a Rental Registration program in 2005. At that time, the City had received a number of complaints about issues directly relating to rental properties, but had no record of which properties were not owner-occupied. This was problematic for code enforcement, as the staff were unable to efficiently contact the parties responsible for correcting observed violations if the property owner did not live at the address in question. This also illuminates one issue with Roseville's strategy of encouraging education instead of pursuing penalties. Roseville operates on the principle that the vast majority of property owners are willing to comply with the ordinance and that most of the noncompliance results from lack of knowledge or understanding. This is why it is important for enforcement staff to be able to directly contact the responsible parties, instead of just posting a citation on the front door, or giving notice to tenants who may fail to pass it on to the owner. The process of noticing a problem, contacting the resident, learning that the resident is not the owner, finding

the owner, contacting the owner, and then verifying that the violation has been corrected proved to be an inefficient use of City time and resources.

In 2005, the City Council invited citizens to comment on the issue, and eventually a Citizen Advisory Group (CAG) was formed to make a recommendation about how to deal with the rental properties. Citizen comments and complaints identified problems in three categories: failure to enforce or resolve existing code violations, parking, and overcrowding. Presumably, the parking problems were related to overcrowding and both of these issues seemed to be most prevalent around the University of Northwestern (formerly Northwestern College). Most of the landlords who responded opposed any increase in regulation. The CAG recommended strengthening code enforcement powers by making it easier for staff to issue citations, dealing with parking as a separate issue, working with Northwestern to educate students about regulations, and using the proposed Registration Program as a minimally intrusive tool to gather information necessary for effective code enforcement and begin to address overcrowding issues. The CAG stated that they considered the operation of rental properties to be a business activity which brings added responsibilities for property owners.

It is important to note the nature of the complaints that were being received at this point in the process. There were no tenants complaining about the conditions in their residences. The lack of representation of renters was mentioned throughout the public commentary and by the CAG. While it is unfortunate that the opinions of renters were not available, since renters are one of the main groups that rental regulations seek to protect, it does indicate that renters were either relatively satisfied with their conditions or unaware of the opportunity to comment. Neither were there recorded complaints from emergency services, social workers, or school officials regarding

unhealthy conditions in SFR properties. These types of complaints were central in prompting the MRD Licensing program to require inspection of all MRD units. Crime was not noted as a problem at this meeting.

The resulting ordinance, Chapter 907, created the Residential Rental Property Registration Program, which sought to be the “most efficient system to provide information of the rental status of certain residential properties.” In addition to providing the City with the contact information of the property owner and manager as well as the number and types of rental units on the property, the Registration program allows for registration to be suspended or denied due to violations of state and local law, including the Roseville property maintenance code (Section 906) and public nuisance code (Section 407). The Registration program also requires that the owner “provide each tenant with a Resident Maintenance Handbook provided by the City and Tenant Rights and responsibilities Handbook provided by the Attorney General’s office.” As it is implemented today, the Registration Program has resulted in a list of SFR properties and requires property owners to affirm their knowledge of existing ordinances regarding housing.

### **Roseville, Current.**

Since the inception of the Registration Program, City staff continue to receive new applications and inquiries about the program. New applications are initiated in a number of ways: as owners interested in renting consult the City about the process, as unregistered rentals are discovered in the course of daily business by City staff, or through an annual review of property tax records from Ramsey County.

The success of the Registration Program should be measured against the goals stated in the ordinance, which are to efficiently provide information on the rental status of residential properties, to ensure that properties meet City and State safety, health, fire and zoning codes, and to ensure that the stock of rental property within the City is properly maintained.

**Providing information.**

Information for this program is collected via the Rental Registration Application. This form can be completed online or submitted by mail. Regardless of how the application is submitted, City staff enter the data manually into the Registration database.

Some property owners who wish to begin renting their property contact the City to inquire about the Registration program. In other cases, the City is made aware of a rental situation by the manager of a condominium association or by review of Ramsey County property tax records. Staff may also notice rentals in the course of daily business. When a property is identified as a potential rental, staff send a letter to the owner of the property as identified by Ramsey County records, informing the owner of the Registration requirements and providing the application. The owner may respond that the property is indeed a rental and needs to be registered, provide the affidavit stating that the property falls under the relative exemption, or indicate that the property is not a rental. If the owner does not respond, a second notice will be sent in the same manner. Occasionally, staff are unable to reach the owner by sending mail to the address on file because the owner is not living there and the tenants fail to pass the mail along. This illustrates the reason why the City wanted to implement the Registration program in the first place: to be able to efficiently reach property owners who do not occupy their properties in Roseville.

Currently, most of the applications processed are for properties that have been previously registered and need to renew. The Registration period is from July 1<sup>st</sup> to June 30<sup>th</sup> of the next year. In June, staff send a renewal notice via email or US mail. The City has email addresses on file for approximately 88% of owners in the program, but it is not always possible to reach the owners via the on-file email. If no response to the email is received, a paper copy is sent. Some owners proactively renew their registrations before the term expires. *Table 1* shows when applications were received in 2014 for the 2014-2015 Registration Period.

The application form currently specifies a \$100 fine to be assessed to late applications, but a late fee has never been assessed, due to the lack of an explicit due date or details about the late fee. Therefore, though the term of registration is clearly specified, property owners often are not prompt about submitting their renewals. This results in staff having to deal with

Month	# of Applications received
June	92
July	438
August	141
September	21
October	28
November	32
December	13
Before June	9
Total	774

*Table 1- Renewal applications received by month for 2014-2015 registration period*

applications throughout the entire summer, instead of being able to get them all finished near the specified start of each year’s registration term. This can be problematic for staff, as the date of the registration term was set in accordance with the staff’s workload.

The current exemption for properties that are rented to relatives has produced some confusion. The current program allows a property owner to submit an affidavit stating that all the occupants of the property are related to the owner and thereby be exempt from the registration.

However, the City still intends to register the owner's information, in order to facilitate contact in case of any problems, just like any other rental property. An owner renting to relatives is being exempted from the registration fee, not the registration itself. Some property owners have objected to completing the application, on the grounds that they are exempt from the entire program. The exemption for state-licensed group homes has not caused as many problems, but would fall under the same loophole.

The final aspect of the data collection process is that it is entirely based on self-reporting from the property owners and is not verifiable by City staff. Participation in the Rental Registration program is essentially voluntary. A property owner simply reporting that the property is not a rental ends the process. Of course, it is assumed that property owners are most likely to comply and are deterred from submitting false information on the application by the fact that doing so would be a crime.

For the properties that are registered, the data collected is sufficient for the city to fulfill its goals of tracking changes in the rental market and contacting the owner or responsible party when there are any issues with a registered rental property. This information is used by code enforcement staff as well as police to address any problems, and provides sufficient information about the distribution of rentals in the community as well as what types of housing the rentals are. Staff recently used the Registration data to produce a neighborhood-level map showing the distribution of rentals and are able to track trends and changes. However, there are a couple areas for improvement. It would be beneficial to make the application deadline more apparent, especially for renewals, and to increase the fee for late registration. The exemption process should also be clarified.

**Compliance with health and safety codes.**

The second goal of the Registration program as specified in the statute is to provide a method to “enforce minimum standards to meet City and State safety, health, fire and zoning codes within the City” (City Code City code 907.01). Accordingly, section 907.07 allows for registration to be revoked or suspended for failing to comply with various State and City ordinances, including the City nuisance ordinance (Chapter 407) and the City property maintenance code (Chapter 906). However, there are no inspections involved with the Registration program and therefore, no consistent way to verify compliance. In turn, it is not possible to make a full evaluation of the Registration Program’s success at enforcing health and safety standards on rental properties. It is possible, however, to make some inferences based on other available information. City staff have not received complaints about conditions from tenants of SFR properties or from police or fire staff responding to routine calls for service. Note that these kinds of complaints (from a certain few properties) were a significant part of the reason that the City decided to implement the MRD Licensing program, so it seems reasonable that the City would be made aware of these kinds of problems in SFR properties if they existed. Additionally, SFR rental properties are subject to the same level of scrutiny as any other single family dwellings in the City. Inspectors have access to the properties while inspecting work and building permits in their daily course of business. Certain types of permits for window and door replacement require compliance with smoke and carbon monoxide detector ordinance. Essentially, compliance is enforced on SFR properties in the same way that it is enforced on owner-occupied properties.

Considering SFR properties to be equivalent to owner-occupied properties in this regard invites a comparison to the City's approach to MRD properties, which are regulated by a recently adopted licensing program. City Code section 908.01 says that the "operation of an MRD is a business enterprise that entails responsibilities," and requires regular inspections of the interior and exterior of the property to ensure that the properties are "decent, safe, and well maintained," and that "rental housing will not become a nuisance to the neighborhood; will not foster blight and deterioration; and/or will not create a disincentive to reinvest in the community." As part of the Licensing program, these properties are inspected on a schedule determined by results of past inspections. The records of inspections of the MRDs do indicate a pattern of common violations, some of which may allow inferences to be made about what kind of problems could be expected in SFR properties, were they to be inspected. It is worth noting that the MRDs are almost entirely professionally managed, whereas only 215 of 774 properties in the Registration Program have a designated manager. According to a 2014 year end update of the Rental Licensing Program delivered to City Council by Roseville code enforcement staff, the most common health and safety issues found are missing smoke and carbon monoxide detectors, equipment and maintenance violations in laundry rooms, trip hazards, and missing TPR (temperature and pressure release) valves on water heaters.

Inferences can also be drawn from inspections that City staff carried out under contract for the Metropolitan Council's HRA Section 8 properties in Roseville. From 2013-2014, City staff inspected twenty-seven single-family properties, eleven of which failed inspections. Again, the most common issues involved missing smoke and carbon monoxide detectors, problems with appliances, missing electrical covers, and noncompliant doors and windows (including inoperable locks or latches and missing screens).



The pervasiveness of these problems in the MRD and Section 8 properties, which generally have professional caretakers, makes it seem likely that the same problems would be observed in the SFR properties.

**Maintenance of rental housing stock.**

Roseville Code Section 907.01 states that one purpose of the Rental Registration Program is to “ensure that the stock of rental property within the City is properly maintained.” Similar to the enforcement of health and safety code, the Registration Program does not add any measures to what the City already has in place for all properties, which is the requirement that property owners obtain permits for certain repairs or improvements and have the work inspected by City staff. Of course, the City has a limited ability to enforce these requirements, as the Program depends on property owners to self-report and proactively apply for the permits that they need. Some types of exterior renovation may be observable, but much of this work is interior and would not be observed by City staff in the course of normal business. There is no way to know if and to what extent unpermitted and uninspected work is being done in the City, whether in owner-occupied or SFR properties, however it is useful once again to look at what is found in the MRDs during Licensing inspections. In the aforementioned Rental License Update delivered to the City Council at the end of 2014, Roseville code enforcement staff reported that they commonly observed “improper electrical work... deteriorated electrical components, deteriorated wood trim on building exteriors, peeling paint on windows, trim, doors and balconies, [and other] work being performed without required permits (building, electrical, plumbing & mechanical).”

### **Approaches taken by other Cities**

Other cities in Minnesota approach the regulation of rental properties in a variety of ways:

- Of the 21 cities surveyed for this report, only one (Maplewood) does not have a housing code, and one (New Brighton) does not regulate the rental of single-family or duplex rental properties.
- More than 75% of the remaining cities inspect all rental properties, on a schedule ranging from annually to every 6 years.
- Most cities do draw some distinction between the SFR properties and MRD units (i.e., apartment buildings), but the inspection process and standards are generally the same, with the difference found in the fee structure or the permit period.
- Roseville is unique in having two separate programs for SFR and MRD properties.
- The “intensity” of inspections also varies, with some cities focused on enforcing minimal standards of fire code, and others take the opportunity to look for improper past work and enforce a sort of “deep clean” maintenance when a house is converted to a rental.
- Some cities task the Fire Department with all inspections and code enforcement, some have their own staff, and some others contract out the inspections.
- The enforcement procedures also vary, with some cities requiring the city council to approve all administrative citations or abatements, and other cities allowing the inspectors to write citations and order abatements themselves.

I also studied the reasons other cities decided to implement the programs that they have and tried to identify what problems were being addressed. I found that other cities had a variety of goals and have decided to take a variety of approaches to address their problems. Focuses of the various programs ranged from protecting (and even improving) housing stock and housing values, generally discouraging the increase of rental properties, containing the sprawl of rental housing around college campuses, trying to fight crime, combatting deterioration and unsafe/unhealthy conditions, providing fairness in standards between different types of property owners, and regulation of rental properties as a business venture. Large cities like Minneapolis were also interested in making sure they had the means to deal with problematic landlords who owned upwards of 100 properties and caused repeated problems for the City.

### **Review of Common Elements in Rental Regulation Ordinance**

#### **Definitions of properties to which regulation applies.**

Most cities intend to require the licensing or registration of residential properties that are not occupied by the owner, regardless of whether or not money is being exchanged as “rent,” or if the property is temporarily vacant or currently occupied by tenants. A common way to encompass these properties is to define “renting” as permitting occupancy of a dwelling by a person other than the legal owner, pursuant to a written or unwritten agreement, whether or not a fee is required by the agreement. This definition is used by Falcon Heights, Shoreview, Arden Hills, Vadnais Heights, and Little Canada. Properties where the owner is one of the occupants, even when there are other boarders or renters, are sometimes excluded. Other cities, such as St. Louis Park, require the property to be registered if there are any renters living there, or if the

property is unoccupied. Like Roseville's current ordinance, some cities exempt situations where all of the tenants are directly related to the owner.

### **Requirements for application.**

Aside from basic information about the owner and property manager, applications vary between cities regarding the amount of detail about the property that is required. Most of the applications ask for the number of bedrooms and bathrooms in the unit. Arden Hills is one of a few cities that require the square footage of the bedrooms. Some applications, like Roseville's, ask for the current number of renters living at the property. Others, like St. Cloud, ask for the maximum number of renters allowed at the unit. A number of cities, including Minneapolis, Shoreview, and Arden Hills, require the landlord to compile and keep current a register of tenants. This list is not furnished to the city by default but is required to be available upon request.

### **Crime-free/drug-free addendums and landlord training.**

David Thatcher's article in *Law & Social Inquiry*, "The Rise of Criminal Background Screening in Rental Housing" provides the best analysis about the changing nature of property ownership and the emergent dominance of the "professional landlord" (2008). As cities increasingly expect landlords to actively prevent criminal activity on their properties, landlords depend less and less on their personal knowledge about prospective tenants and are increasingly willing to work with the police and government to implement programs designed to prevent crime.

Rental licensing and registration programs are the means by which cities exert this influence over landlords. Common measures include making criminal activity on the premises of

rental properties a violation of the registration or license, subjecting the landlord to penalties for unaddressed criminal issues, requiring the landlord to undergo Professional Landlord training programs, requiring a crime-free/drug-free lease addendums that designates certain criminal acts as material breach of lease, or requiring or recommending that landlords conduct criminal background checks on prospective tenants. All of these measures are promoted by the Minnesota Multi-housing Association (MHA) and the Minnesota Crime Prevention Association (MCPA).

All of the cities considered in this study included language in their statutes that allowed the city to assess penalties or revoke licenses of property owners who fail to address issues of repeated criminal activity on their properties (the language is usually identical to Roseville City code 907.07). Requiring property owners to attend Professional Landlord Training programs, such as the Crime Free Multi-Housing Program, is a relatively widespread practice. These programs are often conducted by the local police department in conjunction with city staff; alternatively, some cities allow landlords to attend statewide programs.

Among the cities considered, it was extremely common to require that all leases contain a Crime-Free/Drug-Free Addendum. The MHA and MCPA provide a template of this addendum online. Roseville currently requires this addendum as a part of the Licensing Program, but not the Registration Program. There is more variation when it comes to requiring criminal background checks of tenants. Like Roseville's MRD program, some cities require that background checks be conducted by the property owner on all prospective tenants. Other cities, such as St. Cloud, "strongly encourage" landlords to conduct these checks. Either way, the property owner is responsible to determine how the information obtained through the screening

will be used. Cities do not require the owner to reject prospective applicants based on their criminal records.

### **Four Models of Regulation**

After gathering information from statutes and application forms, four general patterns were identified. One or two cities were chosen to serve as a typical example of each of these four types, and additional information was gathered through interviews with staff in these cities. These interviews were essential in showing how and why rental regulation had developed differently in different places.

### **Fire Certificate of Occupancy**

St. Paul and Vadnais Heights regulate housing safety and maintenance via a Certificate of Occupancy issued by the Fire Department. All residential properties are subject to the requirement, with exceptions made for owner-occupied single family houses, owner-occupied condominiums, and the owner-occupied portion of duplexes. In St. Paul, properties are classified according to the number of violations discovered during the inspection. Subsequently, the most compliant properties will be inspected every 6 years, and the least compliant properties will be inspected annually until they improve to a higher class.

Columbia Heights issues a Rental License, but it is handled completely by the Fire Department. Columbia Heights Fire Department Assistant Chief John Larkin was interviewed for this study and explained that the FD provides all the property maintenance code enforcement in the city. Columbia Heights has approximately 1,000 rental units licensed, and the Fire Department inspects the interior of every unit biennially. The FD is authorized to issue citations and order abatements for relatively minor issues but larger issues are handled by the council.

Assistant Chief Larkin noted that they discovered unlicensed SFRs “all the time” during the course of their day-to-day business, both in emergency response and code enforcement. They usually assume the property owner was unaware of the requirements and help them start the licensing process.

### **Comprehensive/Housing Stock Focus**

The second model of regulation was typified by St. Louis Park. This information was gathered through an interview with Michael Pivec, Property Maintenance Inspector, and through a review of St. Louis Park’s city code. In addition to ensuring safe living conditions, St. Louis Park’s Rental Licensing program is focused on maintaining the quality of the housing stock by ensuring that work has been done properly throughout the property’s history. By doing in-depth inspections at the time of sale or when the property is being converted to a rental, the city is able to detect improper work that has been done by homeowners. This regulation also dissuades “flippers” from doing unpermitted work on a larger scale, because they know it will be discovered during the inspection to sell or rent the property.

St. Louis Park requires a Point of Sale (POS) inspection, and city staff does the inspections themselves (some other cities, like Minneapolis, allow any certified inspector do the inspection). Inspection of rental properties is basically the same as the POS inspection. The POS inspection is based on the International Property Maintenance Code (IPMC), which evaluates that the property is in “good repair.” This does allow for some flexibility in enforcement, as it takes into account the age of the home. During the inspection, inspectors are able to pull the permit history for the property to verify when improvements were done in the past, and that the work was done up to code. For example, though some requirements about railings may have

changed, if the work was done properly in the past and was permitted at the time, it will pass the inspection. The inspectors are also able to discover work that has been done improperly, even though it may be all covered up and look acceptable on the surface. For example, if an inspection discovered a second bathroom on a property which was constructed with one bathroom, and for which a permit to add a second bathroom has never been issued, inspectors will require that the relevant plumbing be inspected before passing the inspection. The same process can be used for suspect electrical work. Inspectors can even require that drywall be taken down so that they can inspect the wiring if they believe wiring was done without a permit. Pivec noted that this proactive approach can be difficult for the inspectors, since they have to cover so many different areas in the limited amount of time considered reasonable for each inspection, not to mention the fact that the houses will be occupied and it may be hard to access different parts of the building.

### **Disincentive/Sprawl-control Focus**

The third regulation model identified, typified by Minneapolis and St. Cloud, focused on controlling crime and nuisances, while also intending to provide some disincentive to rental conversions. Notably, both of these cities have large populations of university students, which guarantee a consistent demand for rental housing in specific geographical areas. Travis Bistodeau, Assistant Health Director from the City of St. Cloud, was interviewed for this study. Rental Licensing policy in St. Cloud has evolved around a large amount of rental property near St. Cloud State University (SCSU), presumably less of the “mom and pop” variety, and more intentionally operated as a business. Involved citizens have motivated the City Council to implement relatively strict restrictions and a robust administrative citation enforcement model.



Landlords have been surprisingly compliant with regulations, even the recent addition of a conversion fee.

St. Cloud has a population of approximately 66,000. The density of rental properties around SCSU (enrollment of 17,000) is a significant driver of rental property policy. St. Cloud has seen a significant increase in the number of single family and duplex properties for rent in the last ten years. SFRs now account for approximately 48% (1,300 of 2,700) of the total number of rental properties licensed in St. Cloud and compose the majority of the workload for the inspections department. Bistodeau reports that a small group of homesteaders who live near campus have been highly influential in motivating the City Council to regulate rental properties.

St. Cloud has licensed all non-owner-occupied properties for a long time. However, the City Council recently (September 2014) implemented a \$500 conversion fee (note: Minneapolis fee is \$1,000) and indicated that the conversion fee was intended to serve as a disincentive to the increasing trend of rental conversion. This change faced surprisingly little resistance from rental property owners, despite the fact that they were all informed of the proposed changes and specifically invited to attend the Council meeting. City staff do not hear many complaints about the fee. Bistodeau noted that there is some concern that the hefty fee could prompt some people to operate a rental without licensing, or worse, a property could remain vacant if developers declined to convert it because of cost.

Upon receipt of an application and accompanying inspection fee (\$125), the City inspects the property. The property owner will then be able to decide how to proceed, based on the findings of the inspection and the work required to come into compliance. All noted violations must be corrected before the license is issued. The inspection is valid for 6 months, during which

time the owner can choose to start the licensing period by paying the license fee and the conversion fee if applicable. There is also a \$6/year/unit charge on all units to fund a Professional Landlord class. The initial inspection is based on the 2006 IPMC, and subsequent inspections are carried out every 2 years. St. Cloud has 4 inspectors. New construction (within 12 months) is exempted from the conversion fee and initial inspection.

St. Cloud largely relies on property owners to self-report their properties as rentals. They may find about 20 unlicensed rental properties annually through other means. They do not take a punitive approach to these property owners; instead they simply inform them of the requirements. The Inspections office does not have the resources to prove that the property is being rented, but staff feel that they have licensed an acceptable portion of the city's rentals. Once properties are licensed, St. Cloud has a robust enforcement program. All inspectors are authorized to issue citations (up to \$1000, minimum \$200) and post properties as no-occupancy. There is an appeal process which involves the city attorney and an appointed arbitrator. The City will revoke the license of any property that receives four citations in a year. Bistodeau reports that this system is very effective at gaining compliance from property owners.

### **Basic Compliance/Education Model**

The most common model among the smaller cities focused on educating property owners about basic compliance standards. As in Roseville, inspections and licensing in these cities are generally carried out by the same city staff who handle building permits and general code enforcement. Shoreview is a nearby city that exemplifies this approach. Brent Marshall, a Shoreview Housing and Code Enforcement Officer, was consulted for this study. Shoreview does inspect all rental units but requirements and fees are minimal. Inspections are not focused

on housing stock issues or correcting unpermitted work, but on fire code issues and basic maintenance. The city is focused on maintaining cordial relationships with their property owners.

There are 579 General Dwelling Units (GDU) currently licensed in Shoreview. Licenses are valid for 1 year, and the fee is \$75, which includes the cost of inspection. Shoreview does not actively search for unlicensed properties, but does discover them through utility billing and from complaints. GDUs are inspected on a two-year cycle, and the inspection is not required to be completed before the property is actually rented. Instead, once the application is completed and the license granted, the property is placed into the normal two-year inspection schedule, based on geographical zone. For some of the most common violations, such as smoke and carbon monoxide detector violations, inspectors will accept emailed photos as proof of compliance, instead of requiring re-inspection, in order to reduce the workload on the inspectors.

Shoreview's licensing program was instituted in response to complaints about problem properties, and managing these properties remains one of the priorities of the program. Each fall during the renewal process, the city submits all the addresses of licensed properties to the Ramsey County Sheriff's Department and requests a record of calls for service to these locations. Properties with an inordinate number of police actions are sent a warning letter, even if the violations do not rise to the level where a license would be denied.

Marshall says that it is important to build working relationships with the property owners. This inclines them to be more compliant without having to resort to the citation process, which can be taxing on the resources of the city. Accordingly, the inspectors try to compromise enforcement and education, and find that most property owners are happy to comply once they understand the requirements.

### **Applicability to Roseville: Recommended Changes Based on Current Needs and Observed Best Practices**

In the course of this study, a number of possible improvements have been identified that would increase the effectiveness of the Rental Registration program without creating an undue burden on property owners, tenants, or City staff. Additionally, the fee structure will be assessed and the cost to the City of providing the program will be compared to the revenue generated.

The revisions to the Rental Registration program recommended here are intended to improve the function of the program within the stated goals and principles established in the statute, namely to enforce minimum health and safety standards and efficiently provide information about the status of non-owner-occupied residential property in Roseville. To improve the level at which health and safety standards are promoted by the Program, it is recommended that the City continue to rely on education rather than enforcement and make more information available to both property owners and tenants regarding code requirements and tenant's rights. In order to increase the efficiency and completeness with which the City gathers data about these residential properties, some revisions are recommended as to which properties are required to register. As mentioned above, the current exemption for properties rented to relatives is problematic as it leads some people to believe that they have no obligation to register. It is the intention of the City to have a record of all residential properties not occupied by the owner.

Accordingly, it is recommended that the Program be rebranded as a registration of non-owner-occupied residential properties. All owners of such properties should be required to complete an application containing their contact information and indicating the status of the

property in question: whether the property is vacant, operated as a state licensed group home, occupied by relatives, or rented. Further requirements would vary depending on the type of use. For vacant and relative-occupied properties at which no rent is being collected, it is recommended that the registration process consist simply of completing the registration application, with no fee assessed. State licensed group homes will be required to complete the application, which will include their license number from the state, and no fee will be assessed. If the property is being occupied by someone other than the owner in exchange for money or other consideration (i.e., being rented), the owner will be required to complete the application, submit the registration fee, and comply with the affidavit requirements outlined below. As indicated in *Table 2*, all of these properties will be registered, but only the properties being “rented” will be subject to the fee and other compliance elements of the registration process. This revision would fulfill and improve the intention of the statute to provide a way for the City to efficiently contact the owner or responsible party of any residential property at which the owner does not reside, while remaining reasonable in the demands placed on property owners who are and are not profiting from the rental of their property.

<u>Properties covered by the Program</u>	<u>Initial Action Required</u>	<u>Property Status</u>	<u>Further Action</u>
All non-owner-occupied residential properties, 1-4 units	Complete and submit application containing owner information and <b>status</b> of the property	Vacant and will not be rented or occupied by anyone other than the owner this year	None
		Let to a relative without any exchange of money as rent	None
		State Licensed Group Home	Submit Lic. # with application
		Rented	Submit registration fee and affidavit of compliance

*Table 2 Proposed Registration Process, by Property Status*

In addition to improving the information gathering process by clarifying the exemption process and expanding the scope of the Program to all non-owner-occupied properties, the efficiency of the process could be improved by stating the registration period more explicitly and by requiring an increased fee for late registrations. As stated above, City staff are currently receiving the majority of registration and renewal applications after the registration period has ended, and therefore the registrations have already lapsed. City staff would be able to process applications more effectively if they were received in a timely and predictable manner.

Instead of using a late fee format, it is recommended that the statute and the application specify that applications received prior to the deadline must be accompanied by the standard fee, and that applications received after the deadline must be accompanied by a fee equal to double the standard fee. Any applications received with the standard fee after the deadline should be considered incomplete and the registration will not be completed.

Roseville does not rely on fines and administrative action in most cases to achieve property maintenance goals, and tries to maintain a good working relationship between the City and property owners. This system of education instead of enforcement also means that the City does not rely on citations for funding, and cannot expect to fund increased staffing by increasing regulation, as some cities do. In Roseville, increasing regulation will tend to increase demands on code enforcement staff but will not likely increase revenue. Of course, the most reliable way to enforce standards of compliance with health and safety codes would be to inspect the properties. However, it is estimated that inspecting all of the properties registered under the Rental Registration Program would require over 2,000 hours of work annually, considering the workload obligations of the inspections themselves in addition to administrative support needs

and other factors. Some cities would approach this issue with the view that these costs could be covered by revenue raised through citations issued as a result of the new inspections. As mentioned, this is not how Roseville chooses to relate to property owners and residents. Furthermore, in the absence of complaints from tenants about bad conditions in rental properties, it does not seem reasonable to expand the program in such a significant way.

It is therefore recommended that the City pursue a way to increase compliance without increasing the demands on staff by expanding education instead of enforcement. As discussed above, the actual condition of the interior of residential property in Roseville is largely unknown. However, using the information available from Roseville's inspections of the Metropolitan Council HRA Section 8 properties, inspections of the MRDs as part of the Licensing Program, and from conversations with inspection staff in other cities, inferences can be made about the most common problems found in rental properties. A number of cities have developed pre-inspection checklists derived from code regulations and the most common violations intended to help property owners prepare their SFRs for inspection. The most common violations are generally simple and inexpensive to correct, and it seems likely that educating property owners about their responsibilities would increase compliance and increase the health and safety of tenants in Roseville.

The most prevalent violation observed in Roseville and the other cities concerned smoke and carbon monoxide detectors. State law requires these detectors be present in all residences (MN 299F.362, MN 299F.50), and Roseville City Code requires specific placement of detectors in all residential rental properties (906.09D). Since the requirement is different for rental properties and owner-occupied properties, and has been updated throughout the years, this is an

understandably common violation. Roseville staff have already developed an informational sheet outlining the requirements, complete with diagrams showing specific placement of detectors.

This should be provided to all applicants to the Rental Registration Program.

Other common problems noted in Roseville and other cities include maintaining access to the exits, the operability of all windows and doors, ensuring that all electrical outlet and switch plate covers are installed, and that the required guardrails and handrails are in place on stairs and balconies.

The current Registration Program does already require compliance with the entire maintenance and fire code. However, it seems likely that specifically listing some of the most important and most commonly violated codes and requiring the property owner or manager to affirm compliance would increase compliance. Many cities offer the pre-inspection checklist as a means to prepare for the city inspection, but it may be as effective to simply require a “self-inspection” and completion of an affidavit. An affidavit like this could be easily tailored to the Roseville City Code and processed along with the existing Registration application. This would be very similar to the current MRD Licensing application, which requires the applicant to “certify compliance” with some aspects, such as having a background check process in place.

Another way the City can increase compliance with health and safety codes is by educating the tenants of SFR properties about the conditions they have a right to expect. While it is true that tenants are not currently complaining to the City about conditions in their homes, it is possible that they are unaware of their rights and responsibilities. Since the City does not have direct access to the tenants themselves, it is reasonable to expect that the landlords would provide this information to their tenants. Many cities require that landlords post certain information, such



as their certificate of registration or license, in a conspicuous place or attach that information to the lease. Making the tenant aware of the basic standards that the property owner has affirmed compliance with should increase accountability and result in safer and healthier homes for tenants. It is therefore recommended that the City require property owners to provide their tenants with a document, based on the affidavit of compliance, highlighting the common code issues. This document can also be used to comply with MN Statute §504B.181 subd.2(b) which requires landlords to notify residential tenants of the availability of the MN Attorney General's handbook *Landlords and Tenants: Rights and Responsibilities*. It is recommended that City Code 907.12 be replaced with something to this effect, as we are not currently enforcing the requirement that the owner actually provide the booklet, and state law only requires that they be made aware of the booklet.

For the 2014-2015 registration period, direct expenses of the registration program were approximately \$13,981, including labor, materials, and postage. This considers labor directly related to the development and administration of the program, but does not account for time spent by other staff in connection with the program. Overhead costs were not calculated. Registration fees gathered totaled \$17,075.48, accounting for credit card processing fees.

Nevertheless, as *Table 3* shows, Roseville has one of the least expensive registration fees of the cities studied for this report. Winona, Northfield, and Little Canada all have multiyear registration periods, so the annual cost shown in *Table 3* is a fraction of the actual fees which range from \$45 to \$100. Some cities also charge a fee for inspections in addition to the actual license or registration fee, and some charge a substantial conversion fee when the property is initially registered as a rental.

*Table 3* Annual license/registration fee for 1 unit; not including inspection fees

Winona	\$ 15.00
Northfield	\$ 23.00
Little Canada	\$ 25.00
Roseville	\$ 25.00
Lauderdale	\$ 30.00
Vadnais Heights	\$ 35.00
Arden Hills	\$ 42.00
Rochester	\$ 45.00
Falcon Heights	\$ 50.00
Morris	\$ 55.00
Minneapolis	\$ 69.00
Shoreview	\$ 75.00
Moorhead	\$ 125.00
St Cloud	\$ 135.00
Columbia Heights	\$ 150.00
St Paul	\$ 170.00
New Brighton	N/A
Maplewood	N/A
Eagan	N/A

**Implementation of Recommendations**

Implementation of the recommendations will be divided into two phases. The first phase will include measures that can be put into place within the allowances of the current statutes, and in time for the start of the new registration period on July 1<sup>st</sup>, 2015. The second phase includes measure that depend on council action to revise the Rental Registration statute and any other measures that may not be practically implemented in the coming month.

The first phase of implementation will include the creation and dissemination of the educational materials for landlords and tenants as specified above. A document highlighting important requirements and common violations will be sent to currently registered owners and managers in advance of the registration deadline. This advance mailer will inform registrants of the addition of the affidavit of compliance to the registration application, and give them time to ensure that their properties are in compliance before renewing their registration. The affidavit of compliance will be created and added to the application for registration, in both paper and electronic format. A one page placard will be created summarizing the rights and responsibilities of both landlords and tenants, based largely on the elements of the advance mailer and the affirmation made by the owner in the affidavit of compliance. This placard will be provided in addition as a certificate of registration, and will be required to be posted in each registered rental property. These documents will be developed based on similar documents used by other cities, current Roseville maintenance and nuisance statutes, and input from code enforcement and inspections staff. Proposed versions of these documents are attached in Appendix A.

The second implementation phase will involve seeking council action to change the statute in order to include all non-owner-occupied properties under the registration requirement, as indicated in *Table 2* above, as well as to implement the assessment of an increased fee for registrations taking place after the registration period has ended. It is proposed that renewal applications received more than 90 days after the previous registration has ended will require an increased fee. Proposed revisions to Roseville City Code Chapter 907 are attached in Appendix B.

## References

- Ackerman, A. (2014). A guide to proactive rental inspection programs. ChangeLab Solutions.  
Retrieved from [http://changelabsolutions.org/sites/default/files/Proactive-Rental-Inspection-Programs\\_Guide\\_FINAL\\_20140204.pdf](http://changelabsolutions.org/sites/default/files/Proactive-Rental-Inspection-Programs_Guide_FINAL_20140204.pdf)
- Andriotis, A. (2014, Sep 19). New ways to profit from renting out single-family homes; companies offer investment options that are alternatives to being a landlord on your own. *Wall Street Journal (Online)*. Retrieved from <http://ezproxy.unwsp.edu/login?url=http://search.proquest.com/docview/1563347072?accountid=12915>
- Daneman, M. (2014, July 30). Post recession, single-family home rentals are hot. *USA Today (Online)*. Retrieved from <http://www.usatoday.com/story/money/business/2014/07/29/investment-firms-single-family-home-rentals/13318805/>
- Eck, J. and Wartell, J. (1999, January). Reducing crime and drug dealing by improving place management: a randomized experiment. National Institute of Justice Research Preview. Retrieved from <https://www.ncjrs.gov/pdffiles/fs000235.pdf>
- Garrison ,T. (2014, October 7). KBW: Single-Family REO market tops \$25 billion; asset class growing more institutionalized. *HousingWire.com*. Retrieved from <http://www.housingwire.com/articles/31630-kbw-single-family-reo-market-tops-25-billion>

- Kurth, R. (2012, March 16). Single-family rental housing – the fastest growing component of the rental market. Fannie Mae Economic and Strategic Research Data Note. Retrieved from <http://www.fanniemae.com/resources/file/research/datanotes/pdf/data-note-0312.pdf>
- Palmer, M. (2010, February). Safety v. sanctity: the balancing act of rental property inspections. Law Offices of Evans, Froehlich, Beth & Chamley. Retrieved from [http://www.efbclaw.com/PDF/Safety\\_v\\_Sanctity-Feb\\_2010.pdf](http://www.efbclaw.com/PDF/Safety_v_Sanctity-Feb_2010.pdf)
- Prevost, L. (2014, July 17). Single-family homes as rentals. *The New York Times (Online)*. Retrieved from [http://www.nytimes.com/2014/07/20/realestate/single-family-homes-as-rentals.html?\\_r=1](http://www.nytimes.com/2014/07/20/realestate/single-family-homes-as-rentals.html?_r=1)
- Rephann, T.J. (2009) Rental housing and crime: the role of property ownership and management. Weldon Cooper Center for Public Service. Retrieved from [http://www.coopercenter.org/sites/default/files/publications/crime\\_paper.pdf](http://www.coopercenter.org/sites/default/files/publications/crime_paper.pdf)
- Rodríguez, J.J. (2012, August). Law reform analysis of neighborhood stabilization strategies for communities in Miami-Dade & Broward counties: active receivership, rental registration, & code enforcement partnership programs. Neighborhood Housing Services of South Florida, Inc. Retrieved from [https://s3.amazonaws.com/KSPProd/ERC\\_Upload/0092320.pdf](https://s3.amazonaws.com/KSPProd/ERC_Upload/0092320.pdf)
- The Housing Alliance of Pennsylvania (2014, July). From blight to bright: a comprehensive toolkit for Pennsylvania, Chapter 2. Retrieved from <http://www.pablighthouse.com/chapter-two/>
- Trinh, S., Way, H., and Wyatt, M. (2013, July). An analysis of rental property registration in Austin. Entrepreneurship and Community Development Clinic, University of Texas

School of Law. Retrieved from

<https://www.utexas.edu/law/clinics/community/An%20Analysis%20of%20Rental%20Property%20Registration%20in%20Austin.pdf>

Watkins, M. (2012, December 11). Landlord and tenant fight Richardson's rental registration rules. *DallasNews.com*. Retrieved from <http://www.dallasnews.com/news/community-news/richardson-lake-highlands/headlines/20121211-landlord-and-tenant-fight-richardsons-rental-registration-rules.ece>

Werth, E. (2013, August). The cost of being "crime free": legal and practical consequences of crime free rental housing and nuisance property ordinances. Sargent Shriver National Center on Poverty Law. Retrieved from <http://povertylaw.org/sites/default/files/files/housing-justice/cost-of-being-crime-free.pdf>

Appendix A



## Non-owner-occupied and Rental Property Registration

The 2014-2015 Rental Registration period ends  
June 30<sup>th</sup>.

To help you prepare for another successful year of renting your property, City staff have identified some of the most important safety and maintenance issues found in rental units. Many of the most common problems are simple and inexpensive to fix, but can create serious health and safety risks if not addressed! Please take time to review this flyer before renewing your registration for 2015-2016.

### Preparing Your Property for Renting

#### INSTALL

- ◊ **Carbon Monoxide Detectors** within 10 feet of bedrooms (according to manufacturer's instructions)
- ◊ **Smoke Detectors** in each sleeping room, each hallway outside sleeping rooms, and on each story, including the basement but uninhabitable attics/crawl spaces

#### ALSO CHECK THE FOLLOWING

- ◊ **Exterior Doors** open and close easily, be weather tight, and lock and unlock from the inside without a key or special knowledge.
- ◊ The **Water Heater** has a TPR valve and relief valve discharge pipe
- ◊ Kitchens and bathrooms have working **Grounded Outlets (GFCI)**
- ◊ **Address Numbers** are clearly visible from the street
- ◊ All **Toilets** flush. No leaking pipes or dripping **Faucets**
- ◊ Each **Bathroom** must have a working exhaust fan or window
- ◊ All **Outlets, Switches, and Panel Boxes** have covers
- ◊ All **Taps** must have working hot and cold water
- ◊ **Rooms used for sleeping** have one window or two approved means of egress
- ◊ **Interior walls, ceilings, and window sills** are clean and free of peeling paint or wallpaper
- ◊ **Floors** are structurally sound and **Flooring** is in good condition with no trip hazards such as ripped carpet or missing tiles

### Maintaining a Rental Property

#### ON THE INSIDE

- Extension Cords** may be used for only portable appliances.
- Smoke and Carbon Monoxide Detectors** must not be disabled.
- Hot Water Heater and Furnace** must be clear (at least 3 feet) of boxes, other junk or flammable materials.
- All **Exits** must be kept free from obstruction, inside and outside.

**Note: 3 or more City Code violations within a one year period may result in a \$250+ fine!**

#### OUTSIDE

- Grass/Weeds** exceeding 8 inches are prohibited on any property, occupied or not.
- Do not shovel or blow **snow** into the street or onto neighboring properties
- Keeping more than two **Dogs** requires a kennel license from the Police Department.
- Animal waste must be removed regularly
- All **vehicles parked outside** must be on an approved hard surface (not grass), street operable and display current registration and proper license plates.

#### Storage/Waste

- Rubbish** must be stored in appropriate containers and removed regularly. Containers must be stored out of public view except on the day of collection and cannot remain at the curb for more than 24 hours.

**Outdoor storage** of trash, machinery, household items, or junk is prohibited.

#### Noise

- Power lawn mowers or other power equipment\*** may be operated outside only between 7:00 AM and 10:00 PM on weekdays or between the hours of 9:00 AM and 9:00 PM on weekends or legal holidays. *\*Snow removal equipment is exempt from this provision.*

**Prohibited Music** is anything audible at the property line, from the adjacent apartment, common hallway, or 50 feet away from the source between the hours of 10:00 PM and 7:00 AM.

**Prohibited Parties or Gatherings** are any events that disturb others.

Full text of Roseville City Code Chapter 906, Property Maintenance available here!



## Appendix B: Draft of Proposed revisions to Roseville City Code Chapter 907

**CHAPTER 907****REGISTRATION OF NON-OWNER-OCCUPIED RESIDENTIAL  
PROPERTY OF 1 TO 4 UNITS****907.01: PURPOSE:**

The City recognizes a need for an organized registration program of non-owner-occupied residential dwellings with 1 to 4 units within the City in order to identify and quantify these properties in the City and provide information and a method to enforce minimum standards to meet City and State safety, health, fire and zoning codes within the City and to provide a more efficient system to ensure that the stock of residential property within the City is properly maintained. The City recognizes that the most efficient system to provide information on the status of these properties is through the creation of a program requiring the registration of all of non-owner-occupied residential dwellings with 1 to 4 units within the City.

**907.02: DEFINITIONS:**

A. The term “unit” means all or a portion of a residential property that is arranged, designed, used, or intended to be used as separate living quarters and which is leased to an individual or group.

B. The term “person” includes natural persons as well as business entities, whether one or more.

C. The term “City” means the City of Roseville, or the person or entity designated by the City to administer and enforce this Chapter.

D. “*Non-owner-occupied residential property*” means any building, structure, room, enclosure, or mobile home with 1 to 4 units including the real property upon which it is located and which surrounds it, which is intended to be used as habitable space and in which the owner of the dwelling or unit does not reside, including any unit of a duplex, triplex, or fourplex which is not occupied by the owner. This term includes any residential dwelling or unit that is rented or offered for rent, occupied by relatives of the owner, operated as a group home or vacated by the owner for a period of more than one hundred eighty (180) days. *Non-owner-occupied residential dwelling* does not mean on-campus college housing, hospital units, nursing home units, multiple rental property over 4 units or hotels or motels with daily rental units, all of which shall be specifically exempt from registration under this Chapter.

**907.03: REGISTRATION REQUIREMENTS:**



Except as provided in Sections 907.05(1), it is unlawful for any person to hereafter allow to be occupied, let to another person for occupancy or to leave vacant for more than one hundred eighty (180) days any *non-owner-occupied residential property* of 1 to 4 units within the City for which an application for registration has not been properly made and filed with the City or after the time that a registration is suspended or revoked. Initial registration shall be made upon forms furnished for such purpose and shall specifically require the following minimum information:

A. Name, address and phone number of the property owner and, if owner is not a natural person, the name, address and phone number of a designated agent for the owner. In cases where the owner of the dwelling lives outside of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington counties, the owner must also provide the name, address and phone number of a local agent authorized by the owner to make or order made repairs or services for the property, if in violation of City or State Codes. The designated local agent must live or work in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington counties.

B. The name, phone number, and address of any person authorized to make or order made repairs or services for the property, if in violation of City or State Codes, if the person is different than the owner.

C. The street address of the rental property.

D. The number and types of units within the rental property (single family, duplex, triplex or fourplex).

F. Number of bedrooms and bathrooms in the dwelling unit.

G. The maximum number of occupants permitted in the dwelling; not to exceed 4 unrelated adults or one family.

**907.xx: EXPIRATION OF REGISTRATION:**

A. All Registrations shall expire at midnight of XX/XX of each year unless otherwise suspended or revoked prior thereto.

B. An owner or its Agent may continue to rent a dwelling unit after the expiration date of the rental registration provided that the Owner or its Agent has filed the appropriate renewal registration application and fee.

**907.04: FEES:**

A. There shall be a registration fee as established by the City Fee Schedule in Section 314.05. All fees and fines shall be charged to and payable by the property owner.

B. The annual registration fee shall be doubled when an application is submitted more than ninety (90) calendar days after the expiration date. Late applicants shall not be entitled to prorated license fees.

**907.05: MANNER OF REGISTRATION:**

1. An owner of an existing non-owner-occupied property as defined by this Chapter must apply for registration pursuant to this Chapter no later than 60 days following the effective date of this Chapter.

2. An owner of a property that becomes non-owner-occupied after the effective date of this Chapter, shall apply for and register the property

3. If there is a change in the type of occupancy from the type stated on the registration statement, a new registration statement shall be filed within 30 days of the change.

4. When property is sold, the new owner shall register within 30 days of the sale.

**907.xx: NOTICE TO TENANT, REQUIREMENT TO POST**

The owner, or its agent, must post, in accordance with the instructions provided by the City, in each rental unit a current copy of the Registration Certificate provided by the City upon registration. This certificate shall specifically include the following minimum information:

1. the Address of the registered property,
2. the name, address, and telephone number of the owner or the designated agent, and
3. the expiration date of the registration.

**907.06 REGISTRATION FEE AND POSTING EXEMPTIONS:**

A. The owner of a *non-owner-occupied residential property* is exempted from the registration fee requirement and the requirement to post the registration certificate as specified in this Chapter if all renters residing in the rental property are related to the owner as a parent, child, sibling, grandparent, grandchild, step-parent, step-child, step-grandparent, or step-grandchild and the owner affirms the exempt status in the application.

B. The owner of a *non-owner-occupied residential property* is exempted from the registration fee requirement and the requirement to post the registration certificate as specified in this Chapter if the property is licensed by the State of Minnesota as a Group Home and used as such and the owner provides the current license number on the registration application form.

C. The owner of a *non-owner-occupied residential property* is exempted from the registration fee requirement and the requirement to post the registration certificate as specified in this Chapter if the property is unoccupied and will not be occupied during the current registration term.

D. In all cases, an owner must notify the City in writing within 30 days if an exemption, as described in this Chapter, is no longer applicable. (Ord. 1426, 6-18-2012)

**907.07: REGISTRATION SUSPENSIONS AND REVOCATION:** [Only changed “rental” to “non-owner-occupied residential.”]

**907.08: VIOLATION:** [Only changed “rental” to “non-owner-occupied residential.”]

**907.09: MAINTENANCE OF RECORDS:** [Only changed “rental” to “non-owner-occupied residential.”]

**907.10: AUTHORITY:** [Only changed “rental” to “non-owner-occupied residential.”]

**907.11: APPLICABLE LAWS:** [Only changed “rental” to “non-owner-occupied residential.”]

**907.13. RULES, POLICIES AND PROCEDURES:** [Unchanged.]

**907.14. NO WARRANT BY THE CITY:** [Unchanged.]

**907.15. SEVERABILITY:** [Unchanged.]